

# *The* **NATIONAL UNDERWRITER** *Life Insurance Edition*

## GREETINGS TO ALL LIFE UNDERWRITERS

Again now comes the time of year  
When all thru earth an atmosphere  
Of friendship dwells, and men clasp hands  
And know no bounds of seas or lands.  
The world is kin. Of self-same clod  
All men feel made. A common God  
And brotherhood in hearts abide—  
There's peace-good-will at Christmas-tide.  
And that's why now we think of you  
And kindly send these greetings true.  
Together you and we all year  
Have toiled as one to scatter cheer  
To broken homes and feeble age—  
We've importuned with counsels sage.  
We know no art of silver speech  
Or golden silence. Ours to reach  
Humanity and bless its needs.  
Our art—the language of good deeds.  
Again we greet you, far and near,  
With warm good-will and Yuletide cheer.

**THE MIDLAND MUTUAL LIFE  
INSURANCE COMPANY**

Columbus, Ohio

**FRIDAY, DECEMBER 13, 1940**

# FINDING "LOST" POLICYHOLDERS IS PART OF EQUITABLE SERVICE



\* As I am now well along in years, this money is surely a godsend to me. I cannot thank you too much for this wonderful service. Now that I need the money most it is as bread from Heaven, as it will give me something each month to live on. I did not realize that a Company such as yours would make all the effort that you have to contact me about this insurance on which my husband discontinued paying premiums many years ago.

\* Expressions of gratitude and appreciation such as this, when "Lost" policyholders are finally found, compensate The Equitable's Lost Policyholders Unit for what may be months or years of effort dating from the return of an envelope marked "Address unknown."

**I**T'S pretty hard to conceive that a man could forget he owned a life insurance policy.

But The Equitable knows from experience that some policyholders do forget. And looking for those "Lost" policyholders to pay them money that's due them, helping them to establish their claims, carrying the search, if necessary, from state to state and city to city, to locate their heirs, has long been a part of The Equitable's service.

The Equitable maintains a Lost Policyholders Unit in the Home Office. This Unit does not wait until claims have definitely matured but swings into action when contact has been lost with a policyholder over any protracted period of time.

Through the efforts of this Unit, employing all means of investigation and enlisting Equitable agents throughout the country to press the search, hundreds of "Lost" policyholders or their beneficiaries have been found and paid money that they did not know was theirs.

The Equitable's special organization to locate "Lost" policyholders evidences the thoroughness of a service which has but one aim—to see that the purposes for which people buy life insurance are carried out.

## THE EQUITABLE LIFE ASSURANCE SOCIETY OF THE UNITED STATES

393 Seventh Avenue, New York

Thomas I. Parkinson, President



# The NATIONAL UNDERWRITER

Forty-fourth Year—No. 51

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\$3.00 Year, 15 Cents a Copy

## SEC Report Irks Economic Planners Sponsoring Study

### Find Muckraking Over- shadows Probe Into In- fluence of Assets

WASHINGTON—Failure of the final version of the Securities & Exchange Commission's insurance report—now in galley proof—to go more deeply into the economic implications of the billions of assets controlled by the life insurance companies is understood to be a disappointment to many of those influential in the insurance study.

Instead, the final version still continues to reflect the social reform ideas of the insurance study's counsel, Gerhard Gesell. It bears down heavily on alleged abuses. The implication is strong that there should be some sort of federal regulation, although nothing is said about what kind. It is evident that those whose ideas prevailed in the final draft are far more concerned about more effective policing of the life insurance business than about such fundamental economic questions as the control over the life companies' assets, and whether this control is exercised in the interest of the national economy. The latter was originally supposed to be the real theme of the inquiry.

### Same Division at Hearings

Reports of this difference of opinion among those behind the life insurance investigation bear out what was evident at the TNEC hearings. There Gesell, in his role of chief inquisitor, took a crusading attitude. He gave the impression that the life insurance business was rife with skulduggery with which state insurance departments had been unable or unwilling to cope.

On the other hand, Chairman O'Mahoney of the TNEC and some others, apparently appreciating that it is possible to turn up a certain amount of dirt in any type of business, seemed less concerned about the trifling amount of misdoings that was revealed and more genuinely concerned with how the companies in their management of their assets were affecting the national welfare. This latter question, it was made entirely clear, was quite aside from the moral issues which Gesell kept emphasizing.

### Indicated Different Approaches

At the time it was not clear whether this apparent difference in approach was a real one or whether it was merely that Gesell was trying to make sensational headlines while O'Mahoney was trying more to keep the boat from being rocked. Evidently, however, these apparent differences in approach to the insurance investigation represented fundamental differences in concept, Gesell typifying the social reformer and O'Ma-

## Highlights of Meeting of the Life Presidents

By C. M. CARTWRIGHT

It would be very difficult to select from the program of this year's annual meeting of the Association of Life Insurance Presidents the speaker or the message that left the greatest impression. There were several impressive talks. There was more than one speaker that brought the audience to its feet. It must be stated, however, that it has been many years since the outside speakers have left so great an impression or were so thoroughly followed as this year.

At the last session Friday afternoon the audience probably never had so great an emotional experience as it encountered during the address of L. W. Brockington, who is counsellor to the war committee of the Dominion of Canada. He spoke on "Canada at War." The presiding officer, L. A. Lincoln, president of Metropolitan Life, spoke of Mr. Brockington's extended experience as a school man, a journalist, a lawyer and public official. When Canada set up its own broadcasting system he was chairman of the board of governors. Since Canada entered the war he has been connected with the Dominion's war efforts. His message had added vitality because he undoubtedly was suffering excruciating pain from arthritis. He was bent over by his disability. When he was talking not only the effort that comes from public speaking but his own suffering caused perspiration to break out on his face from time to time. As he stood the audience was reminded that he was undergoing a tremendous physical strain. He spoke in a very calm, deliberate, kindly way, his speech was often poignant but never bitter. He reviewed Canada's situation with regard to this war.

Because of Mr. Brockington's connection with war industries and other war activities in Canada release of the verbatim text of his talk was withheld temporarily, although members of the daily and trade press were permitted to report his talk.

### Canada and Its War Work

Mr. Brockington told about the topography and population, the agricultural domain and industries and then he chronicled what Canada is doing in its war work and what it intends to do. He closed his discourse on a high note, pointing out the spirit of the Canadian people in this great catastrophe. He left with his audience a vivid impression that the young men who had enlisted from Canada have grown in mental and spiritual stature because of their war experience. They are fighting for a great cause. They are crusaders. Mr. Brockington, like almost all men in public life in Canada, is widely read. He is a man of culture and profound thinking whose life has been enriched by experiences

honey the long-range economic planner.

It is expected that the economic angle will be much more stressed in discussions of the report than might be thought from the text of the report itself.

of a diversified nature.

There was no attempt at oratory in his address. He had a serious and yet a sublime message to give. There was no flag flying, no bombast, no exaggeration. As he stepped from the platform, he was given the greatest ovation of any speaker at the meeting. The entire audience was mellow and almost moved to tears. Chairman Lincoln said, following the address:

"I would like to say to the speaker that he has just heard a spontaneous tribute to one of the finest, most eloquent, most touching messages that has ever been brought before this organization. We over the border from you have observed some of the agonies of our neighbors to the north, but you have brought to us today in this message, a means of stirring our emotions and drawing from us, I am sure, a tribute to you and to the country which you so ably represent that we will not soon forget."

### Attitude on Publicity

Prior to Mr. Brockington's appearance on the platform the newspaper men were asked to play down his discourse because it had to do with war activities. One of the reporters, however, represented a Montreal daily paper and he had been assigned specifically the task of reporting rather fully his address. Later on the newspaper men were told that there would be no restrictions on reporting his talk, after a consultation with Canadian company officials and the speaker.

Another outside speaker left an equally important message though of somewhat different character and he, too, received a marked tribute from the audience as he stepped from the rostrum. This speaker was Senator C. Wayland Brooks who has just taken a seat in the august body representing Illinois. Those who have heard "Curley" Brooks in the past on the political huskings regarded him as a very impassioned sort of speaker, one who uses many gestures, who does considerable flag waving, who possesses many of the technical manners of the platform, yet in his talk before the life presidents, Senator Brooks took an entirely different tack. He certainly is a student of psychology. He has a mellifluous voice. There is something entrancing about his speech. He stood behind the reader's desk and did not make a single gesture. There was no raising of his voice to any height. It was well modulated and evidently he desired to leave with his hearers a message that he felt was a solemn one and in order to make this more effective, he did not resort to any of the tricks of the platform.

### Simple in Speech

It was a magnificent piece of work. It was eloquent in its simplicity. He talked in the language of the people. His expressions at times came from the soil. He had some lively anecdotes and yet they were employed only to rein-

(CONTINUED ON PAGE 8)

## Disability Reserves Deductible in Calculating Tax

### U. S. Supreme Court Holds for Life Companies in Important Issue

WASHINGTON—In a decision of importance to the insurance industry, the Supreme Court this week held that the deduction allowed by the revenue laws for reserve funds required by law covered disability as well as regular life reserves.

Passing on cases involving the disallowance of disability reserve deductions by Oregon Mutual Life, Pan-American Life and New World Life, the court held that "by section 203(a) (2) of the 1932 and 1934 acts, Congress has granted life insurance companies a deduction for disability reserves which only Congress can take away."

### Cites Long Precedent

The opinion explained that for many years insurance companies were permitted to take such deductions without demur by the Treasury, but that in 1935 the commissioner of internal revenue issued a ruling that disability reserves were not deductible on the basis of interpretations of the section by the courts.

In the case on which specifically the decision was rendered, Oregon Mutual Life appealed to the Board of Tax Appeals, which reversed the commissioner. The case was carried to the ninth circuit court of appeals, which granted review because the court of claims had reached an opposite conclusion on the same issue.

"It seems clear that Congress intended to permit the deduction of reserves based on those policies that make a company a 'life insurance company' under the act, which, by definition, includes policies of 'combined life, health and accident insurance,'" the court stated.

### Disability Provisions

The reserves at issue related to the disability provisions of combination policies, it said, and "the same underlying considerations that prompted the deduction for health reserves are applicable to the reserves for disability in these combined policies" and disability as well as death reserves "fall literally within the language of the deduction provision."

It is not disputed that administrative regulations promulgated under every revenue act from 1921 through 1932 recognized the right of life insurance companies to take deductions both for death and for disability reserves on policies such as those here involved, the opinion pointed out. "Nor is it denied that the 1934 reenactment of section 203 (a) (2) followed 13 years of administrative regulation and practice under

(CONTINUED ON PAGE 22)

## N.A.L.U. Trustees Study Agents' Compensation Plan

Trustees of the National Association of Life Underwriters at their winter meeting in New York adopted a minute regarding the proposed revision of agents compensation.

"We approve the principles embodied in the report made by the agents' compensation committee of the Sales Research Bureau to the Association of Life Agency Officers and we recognize their diligent efforts and the effective results of their study," the minute read.

"We record our conviction that all legal reserve life companies should consider this preliminary report immediately and submit their comments to the end that a plan may be devised at the earliest possible date suitable to their respective situations, within the principles of the report.

"We urge further that the above joint committee and the companies make immediate and further study and recommendation in connection with a plan for pensions and also in connection with a method or methods of compensation for the new man entering the vocation of life insurance selling and service.

"We urge further that detailed study be made of the possibility of including life insurance agents on commission under the old-age benefit sections of the federal social security act, without including them under the unemployment sections and without including commissioned salesmen connected with other industries."

### Field Forces Should Give Support

The question of National association policy with reference to national service life insurance provided by Title 6 of the excess profits tax law was given consideration. It was decided that public interest demanded that the organized field forces should give full support to the program.

A resolution was adopted suggesting to local associations "that any member of such local associations who shall be in good standing as a member at the time of entering any branch of the military or naval service of the United States shall be continued on the rolls of that local association, so long as he remains in such service, until Jan. 1, 1942, without further payment of membership dues."

The board ratified action on raising the standards of selection taken Dec. 3 at a meeting of the general agents' & managers' committee, presided over by William H. Andrews, Jr., Greensboro. The action recommended that the 82 local managers' groups make the raising of standards of selection, training and performance of agents a major part of their activities through studying the problems, taking definite action and reporting back. Involved in this, the minute pointed out, is "the elimination of those not qualified to render the highest type of service." Reference was made to recent forward steps which have been taken by the companies looking toward the cancellation of non-productive contracts. The group sensed the increasing interest shown recently in the study of these problems and the determination to work out a solution.

The trustees adopted a resolution mourning the death of the National association's president in 1921-22, John L. Shuff of Cincinnati.

### KANSANS ARE ELATED

WICHITA—The Wichita Life Underwriters Association and Wichita Managers & General Agents Association as well as the Kansas Life Underwriters are elated at the awarding of the mid-year meeting of the National association next April to Wichita. Lee Wandling, president of the local association, and Wm. Nicholls, Jr., president of the managers and a special committee including O. Lynn Smith, Connecticut



GLIMPSES AT MEETING OF INSURANCE COMMISSIONERS IN NEW YORK:  
Above—Ernest Palmer, former insurance director of Illinois; E. B. Raub, president Indianapolis Life; Rollin M. Clark, vice-president Continental Assurance.  
Below—James Victor Barry of New York, and W. C. Safford, vice-president Western & Southern Life.

## Colorado Life to Change Name; Prize for Best Title

To get away from the idea of localization which the present name may imply, the Colorado Life will change its name, probably early in January, to one indicating the broader scope of its operations. Stockholders and policy holders have been invited to submit suggestions in regard to the new name, and a cash prize of \$100 will be given to the one who suggests the name that is finally selected.

It is pointed out that now only a very small portion of the company's business is in Colorado and that the present name therefore no longer is appropriate. The proposed change already has been approved by Commissioner Kavanaugh of Colorado. There will be no change in management, personnel or corporate structure.

Mutual general agent, had worked to secure the meeting since long before the annual meeting last September.

Directors of the Kansas association are squarely back of the meeting and have announced that the sales congress awarded to Emporia at the annual meeting in Wichita last spring will be switched to Wichita and held in conjunction with the mid-year meeting. Adjoining states are expected to be well represented.

Committees are to be set up and much help will be received from the Wichita Chamber of Commerce which had the experience of handling the mid-year meeting of the National Association of Insurance Agents last spring. Being headed by Arch. N. Booth, as general manager, a former general agent of Massachusetts Mutual, an understanding of the convention problems can be expected.

## Report Fidelity Investment to Enter Life Insurance

The A. M. Best Company in its weekly life bulletin, states that it is informed that Fidelity Investment Association of Wheeling, W. Va., is contemplating entering the life insurance business. No details are available. Fidelity Investment sells a deferred annuity contract and has an arrangement whereunder Lincoln National Life makes the uncompleted payments as they fall due, in event of the death of the purchaser during the "premium" paying period.

### HASNT FILED WITH SEC

WASHINGTON—The Fidelity Investment Association has not yet filed with SEC under the new investment company act and unless they do so and qualify will have to discontinue business Jan. 1. It is understood here that representatives of the organization plan shortly to confer with SEC officials with a view to meeting requirements by the deadline.

### New Massachusetts Legislation

BOSTON—Commissioner Harrington has filed a bill with a recommendation to the general court asking for a law to make life insurance companies grant individual policies to employees who have been covered under group contracts for five years or more in case such group coverage is discontinued.

Another bill would authorize the insurance department to charge life companies a fee for valuation of annuity contracts. All Massachusetts life and annuity contracts are valued by the department, and while fees are charged for valuing the policies, no provision is made for charging a fee for valuing the annuities, which, it is claimed, has become a considerable burden.

## Weigh Conscription Effect on Group Plans

The discussion of insurance problems created by conscription at the insurance conference of the American Management Association in Chicago indicated that the majority of business houses are continuing group life insurance of employees while they are in the service. This applies not only to drafted employees, but to volunteers and those called up under National Guard and reserve officer mobilizations. On pension plans, there is much variation, but about half the employers are giving employees credit for continuous service during the time spent in the army and a few with joint contributory plans are assuming the cost of the employee's share while he is away.

Large corporations are somewhat fearful of the effect on their experience rates under group life insurance plans. There are two reasons for this. First, the spectre of an epidemic such as the influenza outbreak in 1918 spreading over army cantonments is in the minds of many, and there is also a feeling that many conscripts are unfamiliar with the mechanized apparatus they will learn to handle.

### Problem of Replacements

On the other hand, many of the persons hired to replace drafted employees will be beyond military age and, if a substantial number are hired, they will raise the rates to the employer. On the credit side, it was pointed out by both speakers that the government is mobilizing at a much slower pace than in 1917 and 1918 and that cantonments are being built more carefully and more thorough precautions being taken for the health of men in the army. Several corporations have adopted a policy of not bringing temporary employees under their group life plan, unless and until they decide to hire them permanently.

I. R. Andrews, Sears, Roebuck & Co., suggested that if a corporation has only a limited fund for disbursements to military absentees, it should be allocated, first, to maintain group life insurance; second, if there is any money left over to maintain continuity of pension plan membership and, third, if there is still money left over, to pay part salaries to conscripts for as many weeks as available funds allow. Probably employees would prefer the reverse order, but Mr. Andrews felt it was best from the employer's viewpoint and, in the long run, from the employee's viewpoint.

Speakers emphasized the importance of not promising conscripted employees anything, so that any payments or any benefits in the way of continuing group insurance would not be regarded as an obligation under contract and thus taxable under social security and state unemployment compensation setup.

### Group Life Cover for Agents

George Washington Life of Charleston, W. Va., has decided to provide group life insurance for those of its agents who have no other life insurance selling connections. The company pays all premiums. Agents under contract on Dec. 24 of this year may participate in the benefits and new agents become eligible after four months.

Beneficiaries of agents under contract from four months to one year will receive \$500. One year to five years they will get \$500 plus \$50 a month for two years. Five years and more the benefits are \$500 and \$50 per month for four years.

Agents deriving income from some other employment, other than general insurance, will have \$500 death benefits.

Marmaduke Corby, Oklahoma City general agent Occidental, has been named a vice-president of his local Kiwanis club.



## How U. S. Chamber Will Expand Work

### Will Study Effect of Governmental Agencies on Insurance, Ewing Explains

WASHINGTON—Details of plans for expansion of the insurance activities of the U. S. Chamber of Commerce were put before the directors by Esmond Ewing, vice-president of Travelers Fire, who is chairman of the chamber's insurance department committee.

Under the arrangement, Terence F. Cunneen, manager of the chamber's insurance department, becomes executive assistant for insurance and Arthur H. von Thaden, assistant manager, becomes the department's manager.

#### Keep in Touch with Government

"The spreading powers of government agencies, out of which have come countless rules and regulations and numerous decisions bearing upon the conduct of the insurance business, makes it increasingly important for insurance to be in touch with what is going on," Mr. Ewing said.

"The chamber's insurance department is on the scene, and one of its essential functions will be to undertake a ceaseless quest for information about the myriad operations of modern-day government with their far-reaching repercussions on insurance. The insurance department will make closer contact with virtually



T. F. CUNNEEN

every point where the relations of insurance and government impinge upon each other. Annual reports of government agencies will be further studied to help to formulate a more definite point of view as to what these agencies may be doing of interest to the business. Bulletins containing the findings of these studies will be sent to insurance companies. Investigations of the services the many government departments have to offer which the insurance business can use advantageously will be given study."

#### Propaganda Work

The insurance department will seek to widen the knowledge of business men along insurance lines and conservation through pamphlets, newspaper and magazine articles, and cooperating with other agencies which can help disseminate the insurance information. The insurance department will bring to the average citizen an understanding of the ABC's of insurance and an appreciation of the bearing of insurance upon the industrial and commercial life.

The conservation work of the department will be continued and expanded. There will be greater emphasis on industrial health.

## Great-West Life President Dead

George W. Allan, president of Great-West Life, died at Victoria, B. C., following a heart attack suffered the previous week.

Graduating from Trinity College Uni-



GEORGE W. ALLAN

versity, Toronto, in 1880, he entered the study of law and after completing his student course in Toronto moved to Winnipeg which was at that time a small but fast growing city. Mr. Allan resumed his law studies there, was called to the bar in 1882, and formed a partnership in the law firm with which he was still actively associated at the time of his death.

Mr. Allan was first elected a director (CONTINUED ON PAGE 22)

## Role of Life Insurance in Nation's Progress Told

Although individual life insurance estates are modest, they constitute a great aggregate reserve of economic power, Claris Adams, president Ohio State Life, declared before the Life Presidents Association's annual meeting in New York. Life companies hold legal title in order to administer this huge trust, but in all save the sheerest technical sense, the policyholders are the equitable owners of these accumulated funds. Life insurance constitutes the small savings of the many millions. Mr. Adams estimated that less than 8 percent of the 65,000,000 policyholders make sufficient earnings to pay an income tax. The average insurance estate per person is less than \$2,000 and probably not more than \$4,000 per family.

In the last 10 years United States life companies have distributed to policyholders and beneficiaries an amount equal to that spent by the federal government for relief projects and pump priming experiments, and at the same time left no staggering debt behind, he said.

#### Has Double Value

From a social standpoint life insurance dollar has double value. "Saving brings personal satisfaction, infuses men with a species of independence, builds character through self-denial which adds something intangible but real to the stature of men and contributes to a sounder higher order of citizenship. Few things could be a greater disservice to our country than to quell this instinct of thrift practically universal among our people. It is one of the chief sources of our national strength whether you strike a social, economic, political or spiritual balance sheet."

Mr. Adams pointed out the American

agency system is essential in wider distribution of life insurance. A Boston survey disclosed that only 2 1/10 percent of the insurance in force among the families interrogated was issued by savings banks.

"Life insurance sows in many fields but exercises dominion over none. Its economic function is solely that of finance. Its relationship is essentially that of creditor. Its interest is purely that of investment. It neither seeks nor exerts control over the borrowers of the nation. It in nowise verges upon the vice of monopoly nor employs its resources as an implement of economic power. In every field of private or public finance, life insurance is an influential factor. In none is it a dominant force."

Effective supervision has contributed much both to the strength of the institution and its widespread public acceptance, Mr. Adams declared. "Under the present system there are 49 sentries on guard in behalf of the public interest. The sword of Damocles does not, however, constantly hang above our heads suspended by a single bureaucratic thread."

## Equity in Deferred Annuity Is Not Taxable in Michigan

DETROIT—The contention that equities in annuities are equivalent to cash values in life insurance policies rather than taxable intangible assets under Michigan's intangible tax act, until such time as the companies begin to make payments thereunder to the annuitants, has at last been upheld by the state tax commission, H. B. Thompson, secretary-counsel Associated Life General Agents & Managers announced at the last meeting.

The original stand of the state attorney general's office and the attorneys for the state tax commission that these equities in annuities before the payments to the annuitants begin are taxable non-income producing assets under the act was reversed in November and now the commission takes the position that insofar as the taxpayer does not profit at the time, the commission will not pursue him for the tax.

#### Turkey and Beans Fare

The Flint, Mich., agency of Northern Life of Canada, under Manager M. L. Schmidt, and the Grand Rapids agency, under A. H. DeBorst visited the home office in London, Ont. This resulted from a contest between the two agencies in which the losers were to take the winners to the home office for a banquet at which the losers were to eat beans and the winners turkey. By a small margin the Grand Rapids agency lost.

## STOCKS

H. W. Cornelius of Bacon, Whipple & Co., 135 South La Salle street, Chicago, gives the following stock quotations of life companies as of Dec. 10:

	Par	Div.	Bid	Asked
Aetna Life	10	1.40*	28	29 1/2
Colum. Natl. L.	100	...	65	70
Conn. Genl.	10	.80	24	26
Contl. Assurance	10	2.00	37	39
Great South L.	10	1.30	19	21
Kan. City Life	100	16.00	370	410
Life & Cas.	3	.50	10	11
Lincoln Natl.	10	1.40*	29	31
New World Life	10	.30	4	5
N. W. Natl. Life	7.50	.30	11	12 1/2
Ohio Natl. Life	10	1.25	25	27
Old Line Life	10	.60	10	12
Sun Life, Can.	100	15.00	250	290
Travelers	100	16.00	415	430
Union Cent. Life	20	1.20	21	25
Wis. National	10	1.00	15	17

\*Includes Extras.

## THE UNDERWRITER FRIEND

One of our Southern underwriters had worked out a \$100,000 life insurance estate for a friend and client of his who thereafter experienced ups and downs of life which could be charted on one of those "mountain" graphs.

An officer of one of his state's leading banks, he was married and had two children, stood prominent among his fellow citizens. He inherited about three quarters of a million dollars. Then the financial storm of 1929 swept away just about all the money he had, and he came to call on his underwriter friend to help him find a job.

Some months later his next premium came due, and he explained that he could not meet it, said he must relinquish all his insurance. But the underwriter argued that since his insurance was all the estate that remained, some of it must certainly be retained. And he saw to it that this was arranged.

Three weeks later a highway bridge washed out, and the banker was in one of several cars carried into a raging creek, losing his life.

Without the \$19,000 life insurance estate that had been salvaged, the widow would have had no income.

\* \* \*

## THE PENN MUTUAL LIFE INSURANCE CO.

WILLIAM H. KINGSLEY  
Chairman of the Board

JOHN A. STEVENSON  
President

INDEPENDENCE SQUARE, PHILADELPHIA

## Kavanaugh Expected to Get Permanent Commissioner's Post

DENVER—It is reported by a source considered unimpeachable that the state civil service commission has selected Luke J. Kavanaugh as Colorado's permanent commissioner.

Civil service commission has refused to make any announcement regarding the recent examinations for the position other than to say that a decision has been made and that the six applicants for the job have been notified of their grades by mail. In line with a ruling providing that a 10-day appeal period must be allowed before results can be made public, the earliest date on which an announcement of the results can be made is Dec. 15.

Mr. Kavanaugh is expected to return to Denver by that date. He has been in New York attending the commissioners' convention.

Whether or not any of the six applicants would appeal their grades can not be learned immediately.

### Decision Won't Affect Situation

Rumors that the action of the state supreme court in denying rehearings in two cases involving the governor's right to make appointments of certain department and board heads under the secretary of state's former jurisdiction might have any effect on the commissioner's post were denied by sources high in official circles.

The governor's authority in this case, which prior to the supreme court decision rested with the attorney-general, applies only in making a provisional appointment to fill a temporary vacancy. Thus, if the new civil service designee should die or resign, the governor would have the power to appoint a temporary successor to hold office until the civil service commission could again hold examinations and name a permanent designee.

### R. M. Clark on Joint Committee

Rollin M. Clark, vice-president of Continental Casualty, has been appointed as the representative of insurance on the so-called joint technical committee sponsored by the Chicago Association of Commerce, Illinois Manufacturers Association, Illinois Federation of Retail Associations, Associated Employers of Illinois and Illinois Chamber of Commerce. This committee is concerned with matters relating to the social security law, particularly the unemployment compensation feature. Last year the committee, which did not have

## Well Known Actuary Taking Omaha Position



ARTHUR W. LARSEN

Arthur W. Larsen, who is to become actuary of United Benefit Life and Mutual Benefit Health and Accident, has had extensive and varied experience. He was actuary in the Indiana department when Miles Scheaffer, secretary of United Benefit, was Indiana commissioner.

Mr. Larsen was born in 1891 in Milwaukee, and educated at the University of Wisconsin, where he was a Phi Beta Kappa. He is a fellow, American Institute of Actuaries and Actuarial Society of America. He became connected with the actuarial department of Federal Life in 1918; with F. J. Haight, consulting actuary, 1919; actuary insurance department of Indiana, 1920; assistant secretary and actuary Volunteer State Life, 1921, and actuary, 1922 to 1933; actuary, American Mutual Life, 1933 to 1940.

insurance representation, presented an "agreed" bill which was enacted, amending the unemployment compensation act. The insurance interests were unable to get an amendment that they desired.

The decision to appoint Mr. Clark was made at a meeting of the insurance division of the Illinois Chamber of Commerce Tuesday. The joint technical committee is expected to discuss at its meeting Thursday the recommendations that it will present to the next legislature.

## Prentis Commends Group, Denounces Federal Control

NEW YORK—Private enterprise has become more and more conscious of its social obligations in the past two decades, H. W. Prentis, Jr., president National Association of Manufacturers and president of the Armstrong Cork Company, pointed out before the Life Presidents Association annual meeting here in discussing the expansion of group insurance.

"No device for setting aside money for future contingencies has yet been found which is so economical and successful as that of the payroll deduction procedure which is an integral part of virtually all group insurance," Mr. Prentis said. At the end of 1940 about 10,000,000 lives will be protected by group insurance for an average amount of \$1,500. The average outlay of the employee is about \$9 a year, the balance of the cost being borne by the employer. About 25,000 employers are now helping their employees to systematically budget a portion of their weekly earnings for family security. The average coverage is about one year's income.

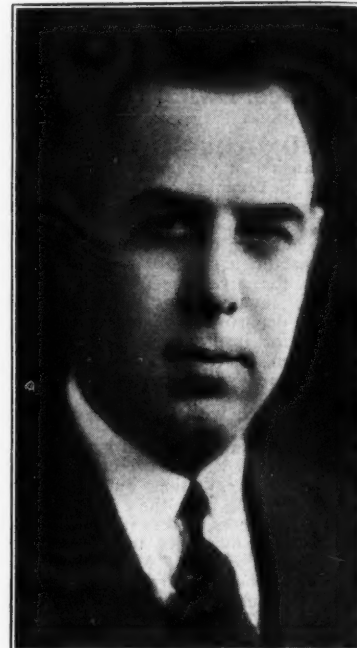
### Grave Responsibility

"If there are any abuses in the insurance field, they should be eliminated forthwith by self-discipline," Mr. Prentis declared. "For with the imminent menace of federal regulation and control of insurance companies, the last great reservoir of private enterprise capital, you, the executives of these institutions, have a grave responsibility to discharge to your policyholders. It was Marx who said in substance that governmental control of how the savings of the people were to be invested, was the three-quarter way mark on the road to state socialism. It is your bounden duty, it seems to me, regardless of consequences, to make that fact patently clear to the millions who have trusted you."

### Confer on Draftees' Group Cover

NEW YORK—Maj. D. T. Windner of the legal division of the selective service board in Washington conferred here last week with President Blackall of the National Association of Insurance Commissioners and R. O. Hooker, actuary of the Connecticut department, on preservation of the rights of trainees having group insurance during the time they are in the army. It is expected that a satisfactory plan will be worked out which will have the cooperation of all the group-writing companies.

## Prather to Home Office of Guarantee Mutual Life



J. J. PRATHER

J. J. Prather has joined the home office staff of the Guarantee Mutual Life. He will edit the Guarantee Mutual's publications, handle advertising and develop new sales promotional material.

Mr. Prather has had 18 years life insurance experience, in home office, field, organizational and advertising work. For the past four years he has been with the American Mutual Life of Des Moines as agency secretary. He is a graduate of the Sales Research Bureau school, and has completed part of the C. L. U. work.

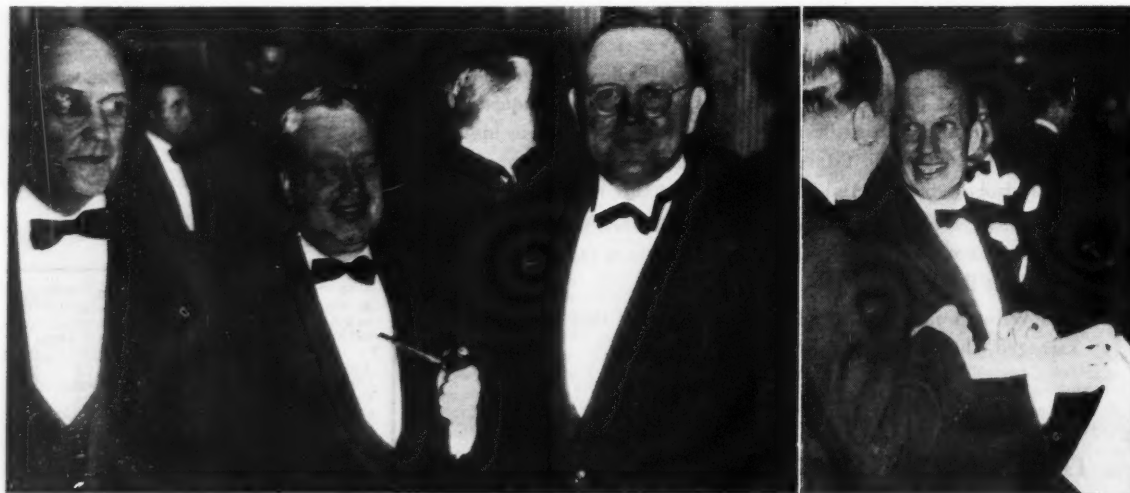
## Five N. E. Mutual Agencies Win "Victory" Dinners

Five New England Mutual Life agencies in the November "Beat Old Man Quota" campaign won dinners at which the company will be host. The H. G. Swanson agency, Chicago, won first in the division, agencies of \$4,000,000 to \$8,750,000 production, both in paid business and percentage of quota, leading the country. Other winners in various divisions were: Richmond, Va., Davis & Butterworth; Portland-Oregon, Horace Mecklem; Denver, Isadore Samuels, and San Francisco, C. H. Stull. The "victory" dinners will be held later this month, with a home office representative at each. Agents will attend whose November paid-for business was the greatest percentage of quota. Other agents who completed 11 months' quota by Dec. 1 will be awarded "mystery" prizes, and the No. 1 agent in each agency wins an autographed photograph of President G. W. Smith.

### Inflation Talk Premature

ATLANTIC CITY—Inflation talk at this time is premature, Claude L. Benner, vice-president Continental American Life, declared here at a banquet of the New Jersey Association of Real Estate Boards. Mr. Benner doubts that purely monetary and credit factors can bring about inflation.

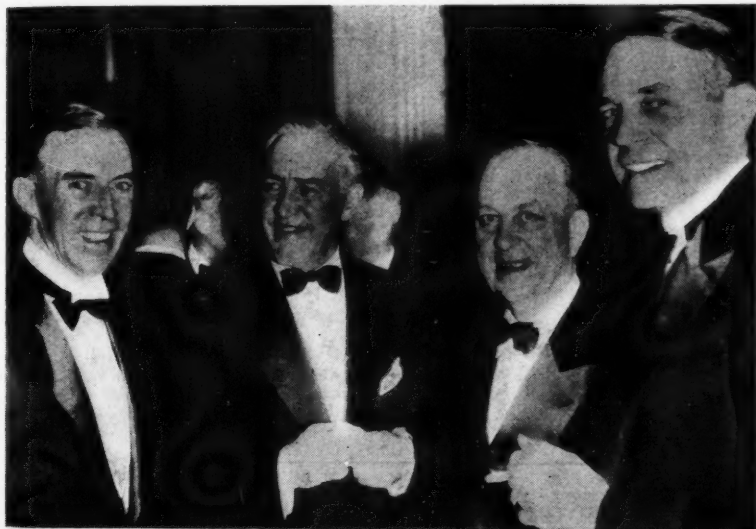
A moderate rise in general price level is to be expected, probably about 10 percent, but there seems to be no reason for expecting such an inflationary price rise as took place in 1917-1918, unless the United States enters the war. Interest rates, while they may firm a little, will remain at present levels. Little change can be expected as long as America has such quantities of gold, he said.



AT THE NEW YORK CITY LIFE MANAGERS ASSOCIATION'S CRIDIRON DINNER: Charles Bellinger, head of W. L. Perrin & Co., general agents Union Mutual Life, New York City; President R. E. Irish, Union Mutual; and E. A. Porter, vice-president and actuary Manhattan Life.

Osborne Bethea (right, second photograph), general agent Penn Mutual and president New York City Life Managers Association, straightens out a table assignment for H. S. Baketel, general agent Union Central, Philadelphia.





MANY COMPANY EXECUTIVES ATTENDED THE NEW YORK CITY LIFE MANAGERS ASSOCIATION'S ANNUAL GRIDIRON DINNER: Col. Franklin D'Olier, president Prudential; W. W. Jaeger, vice-president, and G. W. Fowler, vice-president and treasurer, Bankers Life of Iowa; and R. M. Green, vice-president Prudential.

B. E. Shepherd, actuary Life Presidents Association; Pearce Shepherd, his brother, assistant actuary Prudential, and J. W. Hale, vice-president and actuary Northwestern National Life.

## Forms Insurance Advertising Agency

Raymond D. Parker, manager of the insurance department of Cowan & Dengler, Inc., announces the formation of Parker-Allston Associates, Inc. The new agency, to be located at 18 E. 48th street, New York, will specialize in insurance advertising.

Mr. Parker attended Northeastern University school of law. He then went with Employers Liability at the home office, marking the beginning of a career in the insurance field which has covered more than 30 years.

He next served in the liability department of Elmer A. Lord & Co.; then as manager of the liability department of Frank Gair Macomber.

### Joins New Amsterdam After the War

During the last war, Mr. Parker, then a member of the First Corps of Cadets, Boston, served overseas for two years as sergeant in the 101st Engineers 26th division. Upon his return to Boston, he became affiliated with New Amsterdam Casualty where he enjoyed rapid promotion from chief clerk to special agent, and then to New England manager.

Ten years later an opportunity arose to manage the insurance advertising department of the A. W. Ellis Company. Here Mr. Parker found that his diversified experience in the insurance business stood him in good stead when he turned his attention to the problems of insurance companies in their advertising

programs. This served to intensify his keen interest in the advertising end of the business.

In 1936 Mr. Parker severed his connection with A. W. Ellis to go to New York, where he has successfully handled the advertising of such companies as Crum & Forster, Berkshire Life, Phoenix-London group, London & Lancashire, Appleton & Cox, American Fidelity & Casualty, Century and Pacific Coast Fire.

Officers of Parker-Allston Associates, Inc., will be: Mr. Parker, president; F. Kenneth Allston, vice-president and treasurer; Marion Hess, secretary. Mr. Allston has had 25 years' experience in the production of graphic arts. For the past 10 years he has headed Allston & Depew, an organization well-known in advertising circles for their layouts and art work.

### Bank Boosts Insurance

The American National Bank of Indianapolis is now carrying advertising in the Indianapolis newspapers captioned "Discounting Adversity" which is a tribute to insurance agents and insurance in general.

"The wisdom of discounting adversity is not the product of foresight alone," the advertisement reads. "Each individual still tends to believe that he above others will escape a catastrophe. For this reason, most insurance must be sold, not bought. The constructive efforts of insurance agents and representatives are immensely effective in keeping the majority of Americans armed against unforeseen events."



## Season's Greetings

... to all those of the fraternity of Life Insurance everywhere, who have done so much to make sure that the lights will burn just as brightly on the Christmas trees of the future.

... The 4,400 Shield Men and Women in Home Office and field wish you and yours a Happy Christmas and your best year in

1941.

## The NATIONAL LIFE AND ACCIDENT Insurance Company, Inc.

C. A. CRAIG, Chairman of the Board

C. R. CLEMENTS, President

HOME OFFICE  
NASHVILLE

NATIONAL BLDG.  
TENNESSEE





GROUPS AT MEETING OF INSURANCE COMMISSIONERS IN NEW YORK:

Above—Sterling Clark, assistant attorney-general South Dakota; H. O. Chapman, secretary Policyholders National Life, Sioux Falls, S. D.; George K. Burt, South Dakota commissioner, and Fred C. Mueller, secretary Lutheran Brotherhood.

Below—Frank N. Julian, Alabama superintendent, and George Merigold, Prudential.

### Seek to Bring Agents Under Wage-Hour Act

Efforts to enforce provisions of the wage and hour act upon insurance agencies are indicated by the fact that a number of Chicago agencies have been sent questionnaires by the Chicago regional office of the wage and hour administration and several have been visited by inspectors. There has been no ruling from Washington definitely placing insurance offices under the provisions.

Questionnaires have been sent to insurance offices in other cities, including San Francisco and Kansas City. A good many offices have voluntarily complied with the regulations, with reservation that such compliance is not to be taken as admission that insurance is interstate commerce.

The position taken by the Chicago regional wage and hour office under Thomas O'Malley, director, is that insurance is commerce for the purpose of administering the wage and hour act, and Paul vs. Virginia does not apply.

The theory is advanced that employees in insurance offices who are engaged in the preparation of policies, applications or other instruments for transmission across state lines, or in the regular and continuous use of the mails for this purpose, fall under the act.

Most Chicago agencies voluntarily have working conditions meeting the wage and hour requirements.

Agencies would be required to maintain a true, accurate record of the employees' working time, presenting 16 items detailing the wages and hours, if they were compelled to comply.

### Department Opens Detroit Office

The Michigan department has opened a branch office in the American Life building, 408 West Fort street, Detroit, to look after the part-time agent situation in the metropolitan area. Seth E. Burwell, in charge of the licensing division of the department, is in charge, with Ray Desautels assisting.

Mr. Burwell believes many of the part-timers in Detroit will be absorbed in other lines with the rising tide of national defense activity and therefore

will not attempt to renew their licenses Jan. 1.

### Pearson Leads Northern Life

A. Linus Pearson, Seattle, has been named leading agent of the Northern Life for 1940 by virtue of his production record. D. B. Morgan, president, has announced. Mr. Pearson has been with the company 12 years. He is a member of the "\$250,000 Club." Mr. Pearson's name will be inscribed on the bronze tablet at home offices which holds names of previous winners of the title since Northern Life was formed in 1906.

Every agent should read Carroll C. Day's "Little Red Wagons and Little Red Boots." Send \$1 for eight copies to National Underwriter.

### Former South Dakota Commissioner Is Dead



P. J. DUNN

P. J. Dunn, former South Dakota insurance commissioner, who died the other day at Rochester, Minn., had been

located at Los Angeles representing Western Surety of Sioux Falls, S. D., since retiring from public office.

Mr. Dunn worked eight years as printing foreman for the Miller "Press," of Miller, S. D. He then was assistant postmaster in Miller eight years before becoming superintendent of South Dakota agents for Northwestern National, a position he held for three years. Next he became cashier of the Ree Valley bank at Orient, S. D. After 12 years of banking he became postmaster at Orient, where he remained four years. In 1937 he was appointed insurance commissioner. He was reappointed and served until April 1, 1940.

### Arkansas Commissioner Comment

LITTLE ROCK, ARK.—While no announcements have been made of Governor-elect Homer M. Atkins' selections

for key posts in his administration, A. B. Hill, Union Central Life, Little Rock, former state superintendent of public instruction, is regarded as the most likely choice of insurance commissioner. Others mentioned are U. A. Gentry, former commissioner, and Joe Martin, Jonesboro, owner of the Home Insurance Agency.

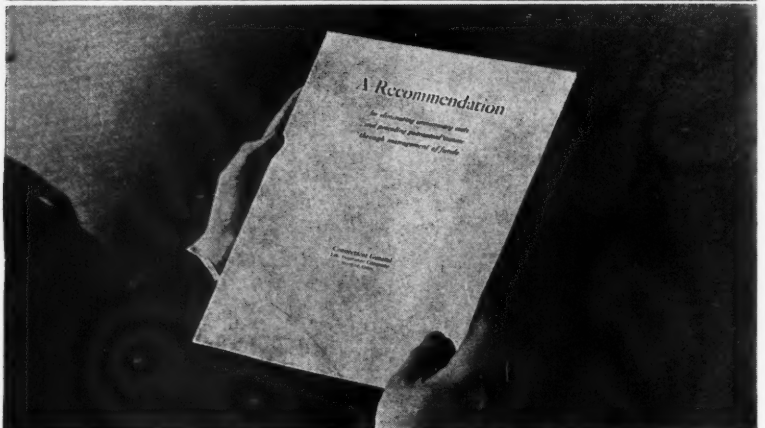
### New Michigan Life Officials

M. L. Cline, who for seven years was treasurer of Agricultural Life, has been appointed supervisor of agents of Michigan Life, succeeding J. A. Hands, who resigned to go with General American Life.

W. H. Ekberg, for 24 years secretary of American Life of Detroit, has become assistant secretary-treasurer of Michigan Life.

ONE OF A SERIES DEMONSTRATING

STRENGTH



Step ahead thinking . . .  
 . . . way ahead RESULTS

There may have been a time when an agent could build a reputation (and a steady income) by wrapping up and delivering an insurance policy like so much over-the-counter merchandise.

But, no more! Insurance men who are going places today find inspiration and remuneration for their work in skillful selection and fitting of modern insurance "parts" to complete a "tailor-made" plan that will meet a man's needs and those of his family under all the conditions of a complex modern life.

That kind of a job reflects not only the agent and agency doing it, but the Company back of them. It is the kind of a job that Connecticut General men have been able to do extraordinarily well because of their thorough training, because of the support they get from their aggressive, well-managed agencies, and because of the unusually comprehensive lines offered by this Company.

• LIFE •  
 • ACCIDENT •  
 • HEALTH •



• GROUP •  
 • SALARY ALLOTMENT •  
 • ANNUITIES •

Connecticut General  
 Life Insurance Company

Hartford, Connecticut





SEEN AT MEETING OF INSURANCE COMMISSIONERS IN NEW YORK:

Above—C. S. V. Branch, second vice-president Sun Life of Canada and C. F. J. Harrington, Massachusetts commissioner.

Below—C. R. Fischer, Iowa commissioner, and C. G. Taylor, Jr., vice-president Metropolitan Life.

## Set Two Meetings to Air Views on Nonforfeiture Plan

NEW YORK—After holding its open meeting here at Hotel Pennsylvania Dec. 16, the Guertin committee on nonforfeiture benefits will meet in the Palmer House, Chicago, Dec. 18, to bring out all possible points of view on the tentative report which the committee submitted at the meeting of the National Association of Insurance Commissioners here last week. The committee wants to get all the different slants before submitting the final report at the meeting of the association in June. Both meetings will begin at 10:30 a. m.

While the committee has gone to great effort and held many conferences in order to arrive at the best possible solution of the nonforfeiture problem it is anticipated that the hearings in New York and Chicago will evoke objections from many who feel either that the report goes too far or that it does not go far enough. In contrast to the committee's earlier report, when it was studying the need for a new mortality table and related topics, which report was adopted last year, the new report makes the junking of the American experience table much more imminent. The committee's attitude toward the American experience table has not changed since its earlier report.

But in that report the committee merely recognized that the table was outdated and took the attitude that there was no objection to continuing its use as a yardstick. However, the new report, if adopted, would make the American experience table not merely obso-

lete but impractical. Consequently, those in the life insurance business who have a deep rooted feeling that the business would not be the same without the American experience table are likely to be much more strongly opposed to the present report than they were to the committee report on the need for a new mortality table.

## Ohio National Life Bank Decision Not Vital

The article in the Dec. 6 edition reporting the receiver of the Roseland State Savings Bank of Chicago had been awarded a judgment of \$139,800 against Ohio National Life for double liability as a stockholder was incorrect. The only point decided by the court of appeals was that one of the defenses presented by counsel for Ohio National was not a valid one. The main issue was not decided and the court of appeals simply remanded the case for hearing on the merits. Counsel for Ohio National believes that the court will ultimately hold the company is not obligated to discharge the liability of American Old Line Life on this stock which was never owned by Ohio National, but was retained by American Old Line at the time of the reinsurance.

## Hierholzer San Antonio Manager

Frank R. Hierholzer, for several years a leading personal producer there, has been appointed San Antonio manager by the Acacia Mutual Life.

Leland O. Nasham, assistant to S. E. Mooers, field vice-president of the Acacia Mutual, who was in San Antonio to install the new manager, also visited Houston, Dallas, Oklahoma City and Tulsa.

# QUIZ AD No. 7

**QUERY:** What life insurance company is developing a pioneer experience in Family Group coverage?

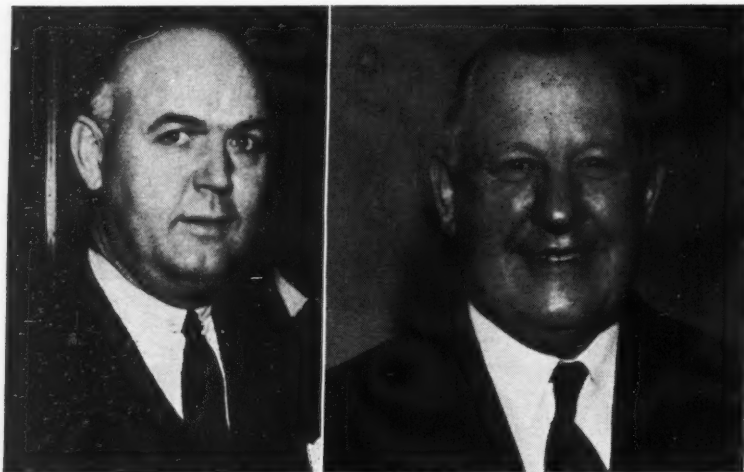
**COMMENT:** Continental Assurance is writing all eligible members of a family . . . single contract . . . single premium payment . . . complete protection including waiver of premium if the father should die.

*Continental*  
**ASSURANCE COMPANY**

**CHICAGO, ILLINOIS**

*Affiliated with*

**CONTINENTAL CASUALTY COMPANY  
TRANSPORTATION INSURANCE COMPANY**



Orville Ware of Northwestern Mutual Life and George S. Van Schaick, vice-president New York Life, at insurance commissioners convention.

## Highlights of the Life Presidents' Meeting

(CONTINUED FROM PAGE 1)

force some point that he desired to make. His only reference to life insurance came at the close when he spoke of private enterprise and the American government being the twin sons of Columbia. He said that they have both become great and when one of them seeks to completely dominate and command the other, both will die. Senator Brooks declared they are essential to the continuance of the march of liberty, started a little more than 160 years ago. When he spoke of life insurance he said that the company officials and all people in it have played a great part in that march, but he admonished his hearers that uncertain days lie ahead.

"I am not so sure that you can confine yourselves in the future to the rigid limitations you have in the past," he said. "You are the trustees of 65,000,000 people and their loved ones when they die. They believe that you and your associates know better than they how to manage their savings and up to now, you have done a great job. But what of the future? What of the trends of the times? Will they be as safe tomorrow as they are today? If not, what is eating away the foundations? Are you telling them? Are you informing them? Uncertain days lie ahead for a structure of free people. I believe you have an additional responsibility from now on. There has been a movement in America to have the government take control away from private management. I am not so sure that you fulfill your full trusteeship unless you not only convince them that they should entrust their savings and the well being of their loved ones to you, but that you are prepared to advise them in a limited way as to the security that they have placed in your hands against the desire to take it away. It is a challenge. They know you have not spoken to them before. You must change with the necessities of the day. God knows what the future holds, whether man's inhumanity to man will envelop the whole world and free people and under this emergency will so grant control of their bodies, their lives and their assets that they can never regain them. You have played a great part in the building of America. She is moving in strange ways. You have now a greater part to play than ever. I hope that you will accept it. It is a service and in that service I wish you Godspeed and good luck."

### LINCOLN LAUDS BROOKS

There was considerable curiosity as to who was responsible for Senator Brooks being on the program, especially as he is such a new man in congress. As a matter of fact, Chairman Lincoln himself secured him. Mr. Lincoln, in

introducing him, said that the last few years he had enjoyed a personal acquaintance with him and he found Senator Brooks to be a man of high ideals and one who "literally dedicates himself in a serious and conscientious way to the service of the public." Senator Brooks was in the University of Illinois when War No. 1 broke out. He left college, went into the U. S. marine corps, was wounded several times and received a distinguished service cross at the hands of General Pershing, the navy service cross and the Croix de Guerre.

### JESSE JONES' TALK

The most provocative address of the entire session was given by Jesse Jones, secretary of commerce and federal loan administrator. Chairman Lincoln said that Mr. Jones is the second most powerful man in the United States today. Mr. Jones' home is in Houston and Chairman Lincoln said: "I believe he built Houston as no one individual has ever been responsible for building any city." The room was crowded when Mr. Jones spoke. All were eager and somewhat curious to hear him. The majority of the audience regarded him as one of the more conservative factors in the federal administration. They were hardly prepared for his blanket endorsement of the new deal policies. He caused outspoken criticism because of his support of easy money and low interest rates. Economists would hardly agree with him in feeling that low interest rates mean stability in business. The listeners undoubtedly felt that Mr. Jones was eager to keep interest rates down due to the mounting of the national debt.

#### "Saturday Evening Post" Article

Julian Price, president of Jefferson Standard Life, who brought the greetings of the American Life Convention, said that he was floored by Mr. Jones' speech because as he put it, "I am a 6 percent." He referred to the fact that the Jefferson Standard's average interest rate is as high as that of any other life company.

Mr. Lincoln in introducing Mr. Jones referred to the recent article in the "Saturday Evening Post" which told about Mr. Jones' record. The latter said, "I want to deny the entire responsibility for the Saturday Evening Post article. I did not like it in any sense. I am not powerful, not even at home. I am a public servant who takes his responsibilities seriously and does the best he can with the things that are given him do."

In speaking of the administration and the recent election, he said, "The record shows no evidence of any open advo-

cacy that we retrace our steps or undo any of the things which have been done for the common good. Some think they might have done better and that is their right, but nobody complains about the objective."

In his talk he referred to the integrity and stability of life insurance because of the belief of the people in the management of the companies. The officials have been permitted to exercise control with little governmental supervision and restraint. He called attention to the fact that the national banks and the state banks that are members of the federal reserve system are under strict federal supervision. The railroads are under the supervision of the Interstate Commerce Commission. The issuance of investment securities is under the supervision of the SEC. Private business and industry must stay within the limitations and bear regulations made by the federal trade commission, but he added that no federal agency supervises life insurance. He stated that he is a believer in life insurance and carries a large line himself. Commenting further, he said that in referring to supervision of other activities he did not desire to give the impression that the federal government contemplates supervision over life insurance.

"It should be evident to you that what is being done by the national govern-

ment to protect investors and other phases of our national economy, may some time reach you," he said. "You will do well, therefore, to see to it that your house is so clean,—that the administration of these billions of dollars of trust funds is so fair and intelligent as to make unnecessary any supervision by the national government."

He referred to the difficulty confronting companies in finding sound investments at what are now regarded as high interest rates. He said that it is necessary for companies to adjust their dividends and yield to policyholders to a somewhat lower level than in days gone by. Other businesses, he said, have found it necessary to adjust themselves to changed conditions and he added, "I ask you why should the life companies be excepted?" It is true, he said, that the government has spent a great deal of money in the last eight years, all of which finds its way eventually into some bank, much of it through the purchase of insurance policies.

"You and private money lenders bid against each other for loans and investments," he declared. "I have thought that private money lenders were the ones who have driven rates down, that it was the application of the law of supply and demand."

A number of people in the audience regretted that Mr. Jones referred to



## How Big Is a Family?

That depends upon the number of members in it. Irrespective of whether there are two or twenty adequate family protection should include insurance for every member. The new Minnesota Mutual Family Policy will do just that, at low cost. It is one of the attractive policies which can be purchased under Minnesota Mutual's Pay Roll Deduction Plan now in use by over 500 firms. Family Policy premiums are automatically paid through small monthly deductions wherever the Pay Roll Plan is employed.

In addition we offer our Field Force:

1. A liberal agency contract
2. A plan for financing your agency
3. Accounting methods to guide you
4. Proven plans for finding—training agents
5. A liberal financing plan for your agents
6. A unique supervisory system
7. Organized Selling Plan
8. Unusually effective selling equipment
9. Policies for every purpose: Regular—Family—Juvenile—Women—Group—Payroll Savings, etc.
10. Low monthly premiums

A \$235,000,000.00 Mutual Company, 60 years old with an understanding, cooperative Home Office.

## THE MINNESOTA MUTUAL LIFE INSURANCE COMPANY

Saint Paul, Minnesota



President Parkinson of Equitable Society by name in a very critical way. He cited President Parkinson's address in Chicago when Harry T. Wright, new president of the National Association of Life Underwriters, was given a complimentary dinner by the Chicago association. Mr. Parkinson in that address claimed that the RFC competed with private lenders and used the Great Northern Railroad bond issue as an example where it had undermined private loans. Mr. Jones said the RFC does not compete with private lenders, and declared Mr. Parkinson's charge untrue. He said the RFC has helped many institutions directly through loans to others. He said, "Our rates have been kept high enough to enable us to sell at a substantial premium many notes and securities, none of which private institutions could."

#### Spoke of Railroad Bonds

"I think 4 percent which is RFC's rate on railroads is a high rate on a good loan and you must, since you make money loans at a substantially lower rate. We have been considering reducing our rate for sound railroad obligations. There should be more uniformity in rates. I make that as a positive statement and not as an opinion. A note or a bond can be no better than good, yet the great majority of borrowers are those who are required to pay the higher rate. The blue chip corporations that give these low rates are favored with them. My own view is that interest rates have always been high. Why should we place an unnecessary burden on the borrower when he is the man who supports us all? It is the borrower that enables lending institutions to put money to work. We ought to make it easy, not hard for him to do so. Many of the difficulties that overtook us in the early '30's were due to the high interest rates, short maturities and expensive amortizations."

#### Help Given China

In the course of his talk in regard to the loans given other countries, he spoke of the help given China. The United States contracted with China to purchase more than \$100,000,000 worth of tin, antimony, etc. He said it will require a few years for China to deliver all these metals, but despite its difficulties, she is ahead of schedule in shipments and repayments. He stopped for a second or two and said, "I think I ought to get a hand on that."

As Mr. Jones took his seat, Chairman Lincoln said: "He is one man whom we can depend on and have depended on never to rock the boat. He may have some slightly different points of view from some people in the audience but there are always different schools of thought in horse races."

Mr. Jones makes no attempt at oratory. He speaks in a low tone. It is seldom that newspaper reporters at the press stand stand up when a speaker is presented and yet they did in Mr. Jones' case.

#### Manager Whitsitt Is Ill

Bruce Shepherd called the meeting to order as V. P. Whitsitt, manager, who performs this function, was prevented from being present on account of illness. Mr. Shepherd, however, said that recent reports indicated that he is getting along in good shape. He introduced President Lincoln of Metropolitan Life as the presiding officer. Mr. Lincoln did not follow the usual custom of repeating a long biography of those who gave the addresses. He furnished sufficient background so that listeners would have a good picture of a speaker. Many chairmen clutter up their introductory remarks with extended biographical data which places the speaker at times in an embarrassing situation. Mr. Lincoln in assuming his duties called attention to the fact that there is an unwritten law that no presiding officer at the annual meeting could be eligible for a second term.

Many of the officials of years ago are no longer present at these meetings. They have passed beyond the hills or

have retired. Some are still at hand and take their accustomed places to the front such as T. A. Buckner, New York Life; J. R. Hardin and E. E. Rhodes, Mutual Benefit Life; F. H. Ecker, Metropolitan Life; M. A. Linton, Provident Mutual Life; Isaac Miller Hamilton, Federal Life.

#### GREETERS

At the first session the association followed the custom of receiving greetings from other organizations. Last year it added the National Fraternal Congress and Institute of Life Insurance to the list.

Julian Price, president of the American Life Convention, in his usual colorful expression, original and salty style, represented that body. N. J. Landers, managing director Continental Life of Ontario, was escorted to the meeting by R. Leighton Foster, general counsel Canadian Life Insurance Officers Association, the former being president. Mr. Landers spoke of some of the complexities confronting Canadian companies due to war conditions.

A. O. Benz of Appleton, Wis., head of the Aid Association for Lutherans and

president of the National Fraternal Congress, spoke for his organization. Mr. Benz is always a thoughtful speaker. President Lincoln in introducing Mr. Benz said that it is not so many years ago that the fraternal and old line life companies looked askance at one another. As an insurance commissioner who spoke at another meeting said: "The fraternal and the commercial are becoming more fraternal." Mr. Lincoln said: "It has been a long time since we have had the privilege of hearing a more thoughtful, considerate, sounder paper on the subject of life insurance than has been presented by Mr. Benz," after the latter's address.

Harry T. Wright, Equitable Society, Chicago, president of the National Association of Life Underwriters, spoke for his body. Mr. Wright is always a stimulating speaker. He talks with triphammer rapidity. He never fails to reveal his fine sense of humor and he always gives the life officials something to think about, something definite and concrete. He spoke with authority on what companies can do to strengthen their field organizations and make the men more satisfied. Mr. Wright sat on the front row with the past president of the Na-

tional Association of Life Underwriters, Holgar J. Johnson, who is now president of the Institute of Life Insurance.

Holgar Johnson told what had been accomplished by the Institute largely in the effort to acquaint policyholders and insurance buyers with what is being accomplished through the medium of life insurance. Its humanitarian influences are becoming more widely known.

#### J. C. BLACKALL

The Life Presidents Association in forming its programs has adopted certain customs which it observes consistently. One is to have the president of the National Association of Insurance Commissioners speak. This year he was Commissioner Blackall of Connecticut, one of the outstanding and most helpful officials in the country. Chairman Lincoln in introducing him said that on three different occasions an insurance commissioner of Connecticut has been president and has spoken before the Presidents Association. The latest one was Col. H. P. Dunham, now vice-president of American Surety, and the other was Commissioner Mansfield.

(CONTINUED ON PAGE 23)

## You Can No Longer TOSS A COIN

Until 1939, there was little difference to you as a buyer of life insurance between any two good life agents who might be waiting to see you. Today there is a difference:



**T**his life agent is an able, well-trained man. He represents a good company, and he knows his business. By training and personal inclination he prefers to do sound, low-pressure selling and, after a sale, to give his policyholders the service they need.

**BUT**—his income depends primarily on sales of new insurance, and if he is to feed his family, and progress and prosper, he must constantly try to sell as much insurance as he can to as many people as he can see.



On the other hand, your N<sup>W</sup>NL agent is paid, not primarily for the insurance you buy, but for the insurance you keep in force because it *satisfies* you. He is *paid* to sell you only the kind of insurance you need, and the amount you can afford. He is *paid* to keep that insurance adjusted to any changes thereafter in your life and circumstances. If he performs these two services well, he creates in you a satisfied policyholder, who will never willingly lapse the insurance you have bought from him. The primary factor controlling his income is the percentage of his business kept in force by satisfied policyholders; the higher that percentage, the higher his *rate* of earnings on *all* the insurance he has sold to *all* his policyholders.

For good reason, N<sup>W</sup>NL's new method of paying agents has been called the most far-reaching change in life insurance practice in a generation. It helps policyholders avoid the expense of unnecessary policy lapse. It helps the Company avoid the losses involved in such lapses,

and thus works to reduce the cost of life insurance to the public. It enables the agent to concentrate on sound selling and faithful service, and so makes him more valuable to himself, to his community, and to you as the policyholder he serves.

## NORTHWESTERN *National* LIFE INSURANCE COMPANY

O. J. Arnold, President

Minneapolis, Minn.



This is a reproduction of N<sup>W</sup>NL's current national magazine advertisement.

## EDITORIAL COMMENT

### Coordinating the Commissioners

AT THE mid-year meeting of the National Association of Insurance Commissioners, Commissioner Gontum of Maryland, who is one of the far-seeing, high minded officials, called attention to the fact that there should be more coordination in the organization. The commissioners meet twice a year and have in the interim various and sundry correspondence, some conferences and some conversations among them. However, there is no official central office that keeps the commissioners in touch with each other and which becomes a clearing house for research and the collection of material that all commissioners desire.

Commissioner Gontum said that the time had arrived, in his opinion, when there should be a central office for this purpose. There are diverse laws and rulings among the states. A commissioner may desire to know what some of the states have done under like conditions confronting him. If he could get in touch with a central office, he could gain much in time.

When Ernest Palmer, former insurance director of Illinois, was president of the commissioners' association he recommended that the office of an executive secretary be established so that this official could do the very work that Commissioner Gontum suggested. His recommendation was defeated because the commissioners felt that it would be too expensive, as many officials would not be able to get an appropriation for any additional money. Commissioner Gontum's recommendation does not call for as large an appropriation as that proposed by Mr. Palmer.

One is very much impressed with the fact that the commissioners' organization is rather disjointed and when the time of the meetings arrives, there has not been the preparation that should have been made. The commissioners have accomplished much through their committee system. There should be in our opinion far greater coordination. A central office not only would be a research department and one which would collect just that material the commissioners desire, but it in turn would be a hub around which the organization could rotate probably more effectively.

The secretary of the National Association of Insurance Commissioners is a commissioner himself and is paid a salary. He attends to the necessary details of the organization. He is chairman of the examinations committee. But he is also very much engrossed in his own departmental activities. The organization has no one devoting all his time to its work. The problem before the organization would be the financing of such an office.

Commissioner Blackall of Connecticut, who is now the president, will communicate with all the commissioners, ascertain their views as to the desirability of a central office, and will digest the returns, bringing the subject before the executive committee before the next annual meeting at Detroit when some recommendation will be made.

Certainly much time and effort could be saved and more efficiency could be gotten if there were a greater coordination effected in the work of the commissioners.

### Poor Selling by Poor Agents

H. J. Cummings, vice-president of Minnesota Mutual Life, in his thoughtful paper before the Life Presidents Association devoted much time to a forthright analysis of existing conditions and frankly said that one of the problems that has not yet been solved is the high lapse rate. He said, however, that much could be overcome by more careful selection of agents so that more efficient

underwriting could be done at the source. As he put it, "Poor selling by poor agents leads to a high lapse ratio." More and more insurance executives are realizing that nothing is gained by the appointment of incompetent agents or those who are not seriously in the business. They produce a certain amount of new business but this in the end is exceedingly expensive.

### Getting Policyholders to Act

Holgar J. Johnson, president of the Institute of Life Insurance, in his talk before the Life Presidents Association spoke of the desirability of having policyholders and agents better informed

as to the fundamentals of life insurance and what can be accomplished through the instrumentality of legal reserve life insurance. It is very difficult to get policyholders aroused. Com-

panies hesitate to appeal to policyholders, fearing that they will be misunderstood and will be accused of using political or financial pressure.

Senator Brooks of Illinois in his very impressive talk before the life presidents, stated that in his opinion life companies should assume the responsibility of informing their policyholders of economic and business conditions that confront them. All policyholders very naturally are interested in their savings. Through the medium of life insurance those who have not had the opportunity to accumulate much of an estate, rely on their contributions to life insurance to build up a savings fund. In hundreds of thou-

sands of cases life insurance is the only estate that people leave. Naturally, therefore, they should be vitally interested in any movement that tends to undermine or impair the fund they have saved.

It is difficult, however, to arouse people to a militant state where they will deem it necessary to get in touch with their legislators. Mr. Johnson made the point that policyholders will act if they understand the situation and believe in it. There must be a very thorough understanding of the problem and they must believe that in taking up the cudgels they are justified in what they are doing.

## PERSONAL SIDE OF THE BUSINESS

A clever practical joke was played on President Isaac Miller Hamilton of Federal Life at the meeting of the executive committee of the American Life Convention in New York. Mr. Hamilton has the habit of making a statement and then saying in legal terminology, "Query." At the meeting a man was introduced to the members with the statement, "Mr. Hamilton, this is Query." In the flesh he is known as Alex Query of Newark, assistant to George M. Merigold, well known public relations man of Prudential.

R. Foster Piper, supreme court justice-elect and former chairman of the New York state joint legislative committee on insurance, was guest of honor at a dinner in Buffalo given by state legislators with whom Justice Piper has served during his 11 years in the assembly.

L. G. Kiely, cashier in the St. Paul branch office Travelers, has been granted leave of absence for military duty.

I. S. Dey, Newark manager Manufacturers Life, is the father of a daughter, Marguerite Pierson Dey, the third child in his family.

T. W. Du Bose, district agent Old Line Life of America, Milwaukee, and since his graduation from the University of Wisconsin associated with his father, F. W. Du Bose, general agent in Milwaukee, has enlisted in the naval air corps and has passed all examinations successfully. He expects to start his ground training about Jan. 15, upon completion of which he will be transferred to Pensacola, Fla., for flying instructions.

Harry B. Williams, chief clerk of Connecticut General, was feted upon his completion of 45 years in the service of that company. He was guest of company officials at a luncheon and that evening was entertained by his associates in the cashier's department. The only members of the organization who are senior to Mr. Williams in employment are R. W. Huntington, chairman; Frank J. Parker, cashier, and J. C. Gorton, general agent.

W. Calvin Wells of Jackson, Miss., general counsel of Lamar Life of that city, is deservedly proud of his family record at the University of Mississippi. His father, W. Calvin Wells, Sr., graduated from the University in 1869. Mr.

Wells took his degree at the university in 1899. His son, W. Calvin Wells, II, arrived on the scene some months ago and his grandfather immediately telegraphed the registrar at the university, stating that W. Calvin Wells, III, would matriculate in 1954 so he could graduate in 1959.

E. C. McDonald, who will go to Ottawa, Canada, Jan. 1 as vice-president of Metropolitan Life in charge of its Canadian activities, attended the meeting of the Life Presidents Association in New York City last week. He succeeds Harry Wright, who is retiring from business.

Mr. McDonald has had an interesting career. He is one of the most prominent alumni of Culver Academy, Culver, Ind., and has always kept in close touch with that institution. He enlisted in the marine corps from Culver and did considerable training of cadets during the war period.

He married Miss Elizabeth Hann, daughter of Otis Hann, well known life insurance service executive, whose work is carried on by his son, Jack R. Hann. He installed the group department of the old Inter-Southern Life of Louisville and later became assistant sales supervisor of Metropolitan Life in Chicago. He was called to the home office as assistant secretary of the group annuities department 10 years ago. He has since been in charge of all the group sales activities.

Dr. T. H. Dickson, medical director Minnesota Mutual Life, has been elected president of the St. Paul Y. M. C. A.

H. L. Knight, agency secretary Union Mutual Life, was a member of the committee in charge of arrangements for the first joint football smoker ever held by alumni of the four Maine colleges. He is president of the University of Maine Cumberland County Alumni Association.

Gen. Sumter L. Lowry of the Florida national guard, who is also board chairman of the Gulf Life, is visiting guard units about the state. He reports that Camp Blanding, where Florida soldiers will train, will be one of the finest in the country.

R. L. Bailey, Mason City, Ia., manager Bankers Life of Iowa, has won a plaque which proclaims him "All-Amer-

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ican guesser." He predicted national and local football scores during the season with 90 percent accuracy.

**W. D. Bacon**, agency secretary Volunteer State Life, was elected secretary of the Chattanooga chapter of the National Office Management Association.

**James M. Royer**, Chicago general agent Penn Mutual, is president of the Midwest Deke Association of Delta Kappa Epsilon, national fraternity, and general chairman for the National convention to be held in Chicago, Dec. 28-30. He will preside at the annual banquet.

**W. L. Burchill**, Saginaw manager Metropolitan Life, was honored at a testimonial banquet on his 30th service anniversary. Austin T. Schussler, superintendent of agencies, was toastmaster. R. P. Shorts, president Second National bank, was main speaker. E. P. Balkema, Detroit, president Michigan Association of Life Underwriters, paid tribute to Mr. Burchill.

**L. C. Bradley**, vice-president and director of agencies Fidelity Union Life of Dallas, and Mrs. Bradley are recovering from injuries received in an automobile collision in Louisiana last month. Mr. Bradley has returned to his office.

**Steacy E. Webster**, Pittsburgh general agent Provident Mutual Life, has been named general chairman of the 1941 community fund campaign in his city. He was associate chairman of the 1940 campaign.

**Kenneth Fitch**, a leading New York Life producer in Wichita, was presented a clock in recognition of his success in leading the Wichita Community Chest Campaign over the "top." He was campaign chairman and only once previously in the 19 years has the goal been reached.

**Clayton Mammell**, home office general agent Farmers & Bankers, was elected expert of the Wichita Scottish Rite Masons.

**J. F. Daniels**, St. Louis supervisor southwest territory Metropolitan, and Mrs. Daniels, formerly with the Wichita office of the Metropolitan, are the parents of an 8½-pound daughter, Mary Jane.

**W. J. Slack**, Kansas City manager Metropolitan Life, is critically ill following a heart attack.

**A. D. Noyce**, home office general agent United Life of Salina, Kan., was awarded the most valuable agent plaque for 1940 at the company's 13th anniversary celebration.

**R. E. Halstead**, vice-president Continental American Life, was stricken with appendicitis recently while in Pittsburgh. He went to a hospital there for medical attention.

**H. S. Nollen**, board chairman of the Equitable Life of Iowa, was the first person nominated for the 1940 community service award given each year by the Des Moines "Tribune." He was suggested because he had been "vigorously active in business, civic, social and governmental improvements for the city of Des Moines."

**H. T. Dobbs**, president Industrial Insurers Conference and first vice-president Industrial Life & Health, again has been appointed executive director of the Georgia committee for the celebration of the President's birthday in the interest of the campaign against infantile paralysis. He served last year in this capacity.

**John R. Hardin**, president Mutual Benefit Life and recognized as dean of New Jersey lawyers, was the guest speaker at the ceremonies marking the hanging of portraits of four vice-chancellors in the New Jersey court of chancery in Newark.

**F. W. Hubbell**, president Equitable Life of Iowa, exhibited a grand champion shorthorn bull at the International livestock exposition at Chicago.

**Mrs. James B. Acuff**, who has completed her 30th year with the Interstate

Life & Accident, was the honor guest at the annual Christmas party held by the home office employees.

**Dr. Joseph W. Johnson**, president, was master of ceremonies at the banquet, and presented Mrs. Acuff with a bouquet of orchids. Employees gave her a chaise longue.

Mrs. Acuff joined the Interstate 15 months after it was founded. She is now secretary to Dr. Johnson.

## DEATHS

**Robert H. Rose**, 59, retired life insurance executive of Prescott, Kan., died in Fort Scott, Kan., due to injuries received in an automobile accident. Mr. Rose was for many years connected with Central Life of Kansas. He was formerly president of Public National Life of Joplin, Mo., and Little Rock, and he was also at one time chairman of Republic National Life of Dallas.

**J. H. Geraghty**, 73, retired home office employee of the Northwestern Mutual Life, died at his home in Milwaukee. He was in the insurance division of the mortgage loan department when he retired three years ago after 52 years with the company, starting as an office boy for the late H. L. Palmer, then president.

**Robert L. Foreman**, for the past 35 years general agent at Atlanta for Mutual Benefit Life, died of pneumonia at Emory University hospital. He was the company's senior general agent.

He was born at Washington, Ga., and was graduated in 1887 from the University of Georgia. He was a Phi Beta Kappa. After two years in another business, he went with Mutual Life. He gained field, supervisory, agency management and home office experience with several companies and in 1906 resigned an Atlanta general agency and joined Mutual Benefit as associate general agent for Georgia. He was appointed sole general agent in 1912.

Mr. Foreman took an active part in association work, serving local and national organizations in various capacities. Several years ago, on his seventieth birthday, the Atlanta Life Managers Club honored him with a banquet. He was one of the founders of the Young Men's Library Association, now the Carnegie Library, and served as a trustee. During the first war he was appointed state director of the Liberty War Council, engaged in securing books for soldiers. He also served as president of Atlanta's Family Welfare Society and Rotary Club and as vice-president of the Chamber of Commerce.

His son, Robert L. Foreman Jr., has been associated with him in the management of the agency for many years, and since March, 1939 the agency has operated under the name of Robert L. Foreman & Son.

The funeral of **Miss Sophia Seipp**, for 14 years with the "Weekly Underwriter" in its life insurance department and for 10 years editor of "Industrial Insurance," was held in New York Sunday. Miss Seipp had been ill for about six months and had been out of the office most of that time. A graduate of Cornell University, Miss Seipp had been for many years associated with Franklin Webster, editor of the "Insurance Press," before that magazine was merged with the "Weekly Underwriter" in 1926. For many years she was sole compiler and editor of the Policyholders Number of the "Weekly Underwriter," in addition to which she brought out monthly the magazine "Industrial Insurance."

**Clyde Kirk**, 68, attorney for the Equitable Life of Iowa for 39 years, died in a Des Moines hospital following a two weeks illness. He retired several years ago.

**Albert Sahn**, 81, for many years an executive of the State Life of Indianapolis, died there after a brief illness. He was elected a director of the State

Life in 1907 and shortly after became secretary-treasurer. He retired from that position in 1934 and became secretary of the executive committee. He had served as Indianapolis postmaster, county commissioner, on the city board of public works and in the legislature.

**Frank E. Sexton**, veteran Equitable Society field man, who retired in 1938 because of his health, died in Aberdeen, S. D. He was a prominent agent for many years in Timber Lake, S. D., and became district manager of Equitable at Aberdeen in 1923. Mr. Sexton was transferred in 1931 to Sioux Falls to develop the southern part of the state. His health failed in 1938 and he was succeeded by C. W. Poole, his associate and assistant manager, who became the first agency manager of South Dakota.

**Lee J. Loventhal**, I, one of Nashville's best known insurance men, died there after an illness of four months. He was senior member of the Loventhal Bros. agency and had represented the Northwestern Mutual Life since 1895. He was a trustee of Vanderbilt University and Fisk University, chairman of the board of Watkins Institute, president of Vine Street Temple, Nashville park commissioner and active in other civic work.

A year ago the Northwestern Mutual

Life issued policy No. 3,000,000 to Lee J. Loventhal, II, of its Chicago agency, a nephew of the Lee J. Loventhal, I. The Loventhal family was so honored by the Northwestern Mutual because its members had sold a total of \$26,200,000 and bought \$835,000 life insurance from the Northwestern Mutual. L. J. Loventhal, father of Lee J. Loventhal, I, signed his contract with the Northwestern Mutual in 1889, and other members of his family followed his footsteps. Lee J. Loventhal, I, had two brothers in the business, Charles B. H. and Martin S.

**Max A. Derryberry**, who was to have gone to Kansas City as agency director of New York Life, Jan. 1, died in Kansas City after an illness of two weeks. Funeral services were held in Denver. Mr. Derryberry had been with New York Life since 1923. He became manager at Pueblo, Col., in 1926 and manager at St. Joseph, Mo., in 1938.

**E. F. Burke**, 55, Spokane general agent Bankers Life of Des Moines, was taken ill while en route to a managers' conference in Des Moines and was taken from the train at Montpelier, Ida, and died on the way to the hospital. He was the second oldest agency manager in years of service, having had charge of the Spokane agency since 1915.

## Continental American's

## MODERN SALES ADVANTAGES

### No. 4—THE EDUCATIONAL INCOME AGREEMENT . . . What is it?

The "Educational Income Agreement" is a unique trust provision which can be attached to Continental American policies and which, in case of the death of the insured, does these three things:

1. Pays interest income until the student beneficiary is of college age.
2. Makes quarterly payments for four years to the student beneficiary.
3. Automatically insures the student beneficiary—at the time the quarterly payments begin—in the same amount as the original policy.

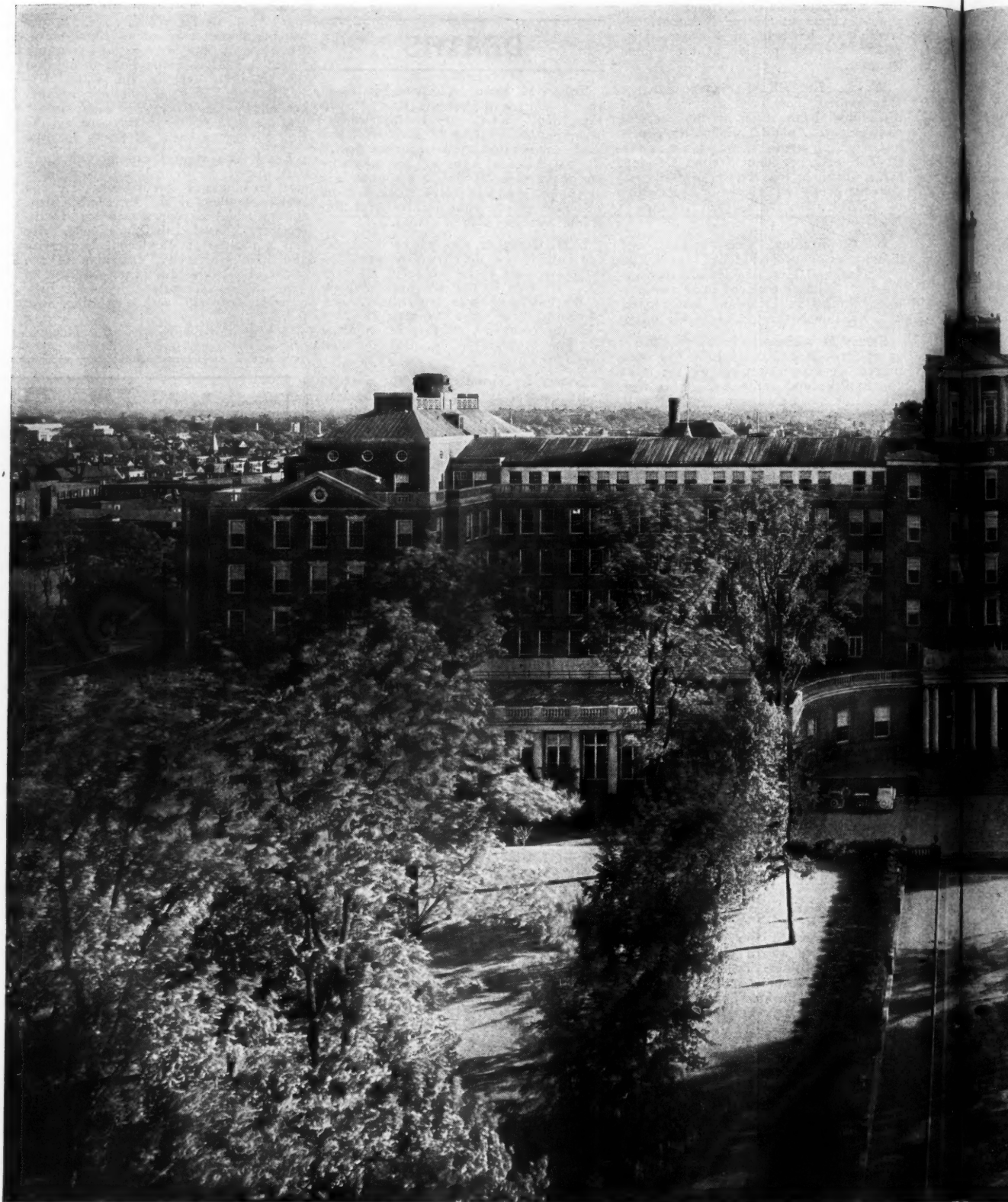
*The Educational Income Agreement is one of Continental American's "points of extra protection." A booklet issued by the Company explains it to the prospect.*

## Continental American Life Insurance Company

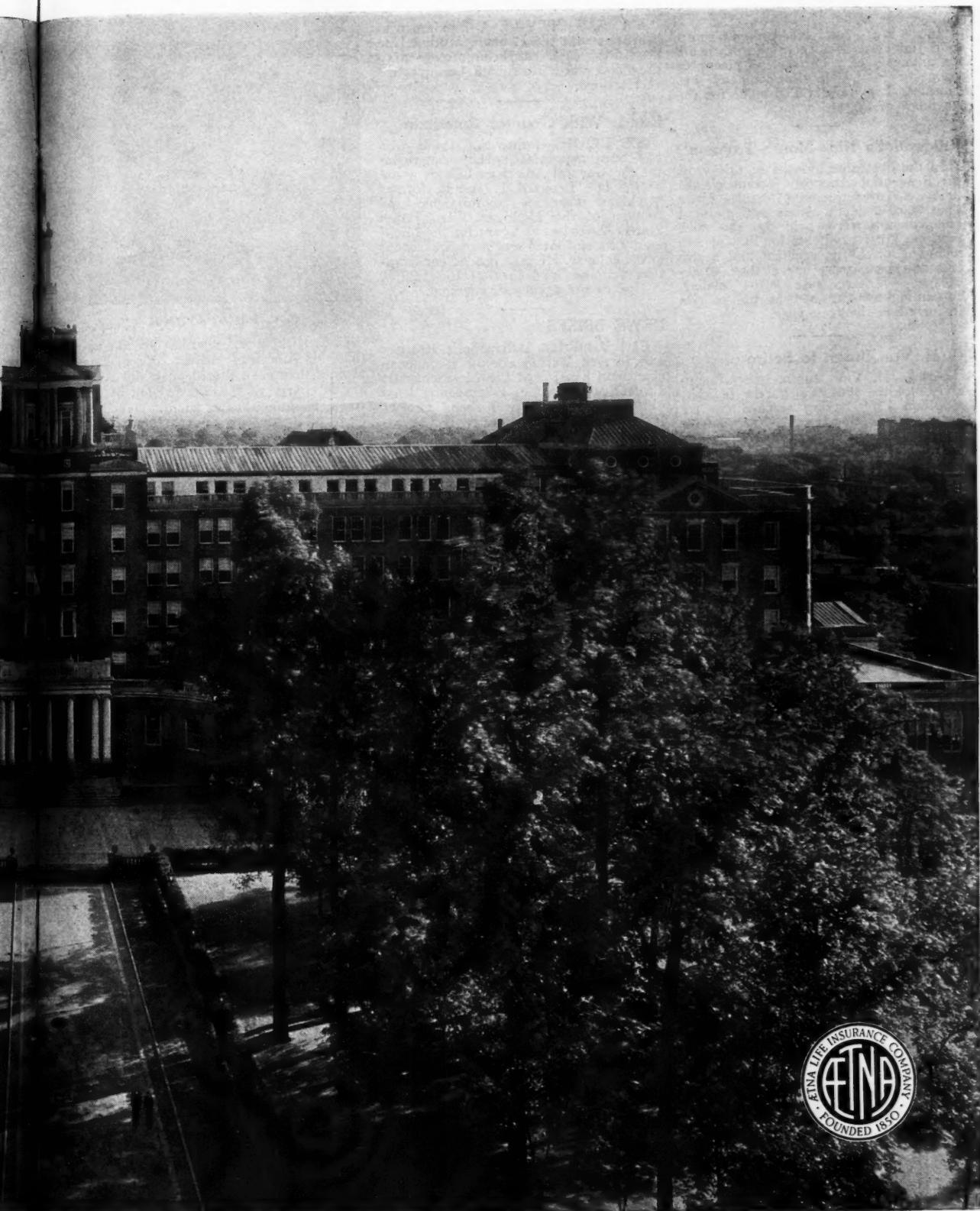
WILMINGTON, DELAWARE

A. A. RYDGREN, President

OPPORTUNITIES are now open in West Virginia, Virginia, Connecticut, New York, New Jersey, Pennsylvania, and Ohio







## NEWS OF THE COMPANIES

### New Business Records of Illinois Bankers Life Broken in Loyalty Drive

MONMOUTH, ILL.—All new business records of Illinois Bankers Life were broken in a 60-day loyalty drive which ended Nov. 30. Policies written in October and November aggregated \$4,109,690, the largest total in any two consecutive months of the company's history. It topped by 27.68 percent the May-June, 1940, previous high of \$3,218,144 and exceeded by 64.03 percent the concern's \$2,505,126 business in October-November, 1939.

October was the company's biggest month, its \$2,314,808 being 14.98 percent above the previous all-time high of \$2,012,500, reached in August, 1938, and 86.82 percent above \$1,239,099 in October, 1939. November's business, \$1,794,882, came close to beating the company's third highest month, \$1,836,799 in June, 1940, and was 41.87 percent above the November, 1939, figure, \$1,266,027. Illinois Bankers' biggest day was November 25, when \$432,855 was written.

November volume made the 11-month total \$16,038,279, or 22.18 percent above the \$13,044,029 written in the same period of 1939, and 14.22 percent greater than all last year, which totaled \$14,040,790.

### Progress in Lien Reduction and Mutualization Program

ST. LOUIS—The General American Life is contemplating making a fourth reduction in the liens against policies of the old Missouri State life which it reinsured in 1933.

While there has been no official announcement it is understood that it will approximate \$16 for each \$100 original lien. This will cut the liens to \$47 on each \$100 or original liens.

The General American also contemplates another reduction in the number of outstanding shares of capital stock in the furtherance of its mutualization program. The contemplated reduction will cut the number of outstanding shares to less than half of the 50,000 shares outstanding when the mutualization program was started. At present it is 46.6 percent mutual, since 23,300 shares have already been retired.

Both the programs for the elimination of the liens against the old Missouri State Life policies and for the mutualization of the General American Life are running well ahead of the schedules originally set.

### Pathfinder Mutual Hearing Dec. 16

LINCOLN, NEB.—A hearing will be held Dec. 16 on exceptions filed by officers of the Pathfinder Mutual Life to the valuation placed on its assets by examiners of the state department, which resulted in a showing of impairment. At the same time the director will hear the complaint filed by H. A. Grimminger, Grand Island attorney, charging that the company is insolvent and that a receiver should be named. The complaint repeats the charges in the petition also as to extravagant management and asks a personal judgment against several officers. The district court enjoined Grimminger from proceeding any farther with that case.

### Permit Loans to Pay Premiums

ST. LOUIS—Circuit Judge Ward has issued an order authorizing Superintendent Lucas to release up to 40 percent of the loan value of the Central States Life's policies for the purpose of paying insurance premiums. This does not necessarily mean that the department has decided to freeze the remaining 60 percent under the contemplated reorganization plan.

No lien will be fixed until Judge Lucas

makes his full and final recommendation to the court on all of the details for rehabilitation. This report is expected within 10 or 15 days.

It is hoped here that the Central States can be reorganized as a mutual with a working surplus provided by placing a lien of upwards of 40 percent against policy reserve.

Judge Ward has issued orders permitting Judge Lucas to continue payments on interest, etc., on several pieces of property in which the company has equities. Provision is also made for the payment of taxes.

### Prudential's Nine-Month Payments

In the first nine months of this year, the Prudential's monthly income checks to beneficiaries totaled \$502,181. More than 300,000 death claims and matured endowments were paid in the nine months. Total payments for that period, including disability, accident and health and annuities, were more than \$160,000,000. There were 8,704 claims, amounting to \$3,401,598, on life policies in force less than one year.

### G. H. Van Buren to Retire

George H. Van Buren, general supervisor of the statistical bureau of Metropolitan Life, having reached the retirement age, leaves the service of Metropolitan Life, at the end of the year. He is in charge of the classification of causes of death. After a period of teaching, Mr. Van Buren went with the division of vital statistics of the bureau of the census in Washington, serving from 1900 to 1916. Then he went with Metropolitan Life, taking the position that he still holds. Since 1915 he has been secretary of the committee on the accuracy of certified causes of death of the American Public Health Association.

### Young Transferred to N. Y.

W. G. Young, field supervisor of Mutual Trust Life in the northwestern department, operating out of the home

office, has been transferred to New York City to take up supervisory duties associated with L. R. Lunoe, manager of the eastern department. Mr. Young has been with Mutual Trust for more than three years, having gone there from the east where he was connected with Equitable Society. Previously, he was in an advertising agency.

### Sinning to Home Office

KANSAS CITY—J. A. Sinning, who has been with the Phoenix Mutual Life here five years, has been promoted to the home office staff with headquarters at Hartford.

### Hands With General American

ST. LOUIS—James A. Hands who has been appointed agency supervisor for the General American Life, is a son of the late Leonard T. Hands, former Michigan insurance commissioner and founder of the Michigan Life. James Hands started as an agent for the Michigan Life and later was named assistant to the actuary. He then headed conservation activities and in 1934 took active charge of the agency department.

### NEWS BRIEFS

Carl Vandivier, Indianapolis attorney and former Marion county Republican chairman, has joined the Massachusetts Protective companies as traveling legal representative. He will spend two or three months in Worcester before assuming active duties.

Louis Bates, who has been Atlanta manager of Volunteer State Life, has been appointed field supervisor for the Acacia Mutual Life.

R. H. Fenton has been appointed district manager for the Equitable Society at Vernon, Tex.

S. E. Brock, formerly with the actuarial department of the Equitable Life of Canada, has been appointed actuary of the Industrial Life of Quebec.

Northern Life of Canada is staging a contest in Canada and Michigan called "Let's Talk Turkey," Dec. 2-21. The prize will be a 15-pound turkey.

Mid-Continent Life of Oklahoma City will give a Christmas banquet for 150

### New Actuary of American Mutual Life





C. C. KIRKPATRICK

C. C. Kirkpatrick, who has become actuary of American Mutual Life of Des Moines, had been first deputy and actuary in charge of the life division of the Iowa insurance department. He had been with the Iowa department 15½ years and had been first deputy since February, 1939.

Mr. Kirkpatrick graduated from the University of Iowa in 1923 and got a master's degree in 1925. Ever since he has been with the Iowa department.

home office officials, agents and employees and their families on Dec. 18, R. T. Stuart, president, has announced.

W. H. Siegmund, general agent, Los Angeles, Connecticut Mutual Life, gave a luncheon to introduce to his agents, brokers and other insurance men E. G. Walls, Jr., who becomes agency manager for Mr. Siegmund.

**HERE ARE TWO SYMBOLS**

— one old and the other new.

The familiar one has been associated, for more than twenty five years, with a pioneer agency plan based on full-time representation by carefully selected, well trained men. . . The new emblem will become more and more familiar through its use by companies adhering to the Agency Practices Code sponsored by the Life Agency Officers Association and the National Association of Life Underwriters. . . Both symbols stand for high standards of life insurance service.



## AGENCY CHANGES

### Franklin in Cincinnati Names Boeckmann, Mason

CINCINNATI—H. H. Boeckmann and B. H. Mason have been appointed Cincinnati general agents by Franklin Life with supervision over 12 counties in southwestern Ohio and northern Kentucky. Mr. Boeckmann began in life insurance with Metropolitan in 1926. Six months later he was appointed assistant manager. In 1935 he was named general agent by Columbia Life, occupying that position until the Columbia was reinsured by Ohio National Life. For two years he was the leading producer for Columbia. Mr. Mason was appointed agent for Columbia the same year, remaining there until this year. The agency has opened quarters at 300 Paramount building, Peebles Corner.

### Herzog with United Fidelity

The United Fidelity Life of Dallas has appointed E. A. Herzog, former secretary of the National Life of Dallas, as manager of its Dallas city agency. Mr. Herzog was secretary of the old Harvester Life of Dallas from its organization in 1926 until its acquisition in 1934 by the old Trinity Life. Upon the consolidation of the two companies he became vice-president of the Trinity Life, continuing as vice-president and manager of the policyholders' service department of the old Gulf States Life of Dallas when the Trinity was merged with the Gulf States. He became secretary of the National Industrial Life when it was organized early in 1939.

### T. R. Carey Named Supervisor

Thomas R. Carey has been appointed supervisor in the C. F. Merrifield agency of Connecticut Mutual Life at Portland, Ore. He has been second man in the agency for the past two years in paid business and brought two new men into the agency this year. He went with the agency after graduating from the University of Portland, where he excelled in athletics and other student activities. The agency has already paid for \$1,600,000 and by the end of the year will exceed by a good margin the largest production in the history of the agency.

### L. W. McDougall to Los Angeles

L. W. McDougall has been named assistant to the general agents in Los Angeles, by the Mutual Benefit Life. He has been sales promotion manager for the St. Louis agency for over three years. He is a past president of the young men's division of the St. Louis Life Underwriters Association and is an association director.

### Nunamaker Cleveland Gen. Agent

H. H. Nunamaker has joined the Columbian National as general agent in Cleveland. The Hoyt W. Gale agency will continue to represent the Columbian National as associate general agent.

He has been with the Travelers since 1928 and before that was in the office equipment business.

### R. G. Jones Associate Manager

Robert G. Jones has been appointed associate manager of the Renaldo A. Baggott agency of National Life of Vermont in Seattle. He will have charge of service for policyholders and his time will be available to brokers and agents having surplus business to place. He is a C. L. U.

### H. C. Carr to Los Angeles

Harry C. Carr, for the past three years head of the Carr insurance agency, Newton, Ia., will move to Los Angeles to become California state manager for the Lutheran Mutual Life.

Thomas D. Roberts has been named manager of the Life of Virginia's ordi-

nary agency at Greenwood, S. C., succeeding A. B. Carson. Soon the Greenwood agency will be closed and transferred to Greenville, S. C.

## NEW YORK

### LIFE INSTITUTE ELECTION

At the meeting of the Institute of Life Insurance, M. A. Linton, president of Provident Mutual Life, was reelected as chairman and Holgar J. Johnson as president. T. A. Phillips, president of Minnesota Mutual Life, was elected a director and Franklin D'Olier, president of Prudential, was elected as a member of executive committee.

### BOARD OF TRADE ELECTION

F. A. Christensen, executive vice-president America Fore group, and J. E. Lewis, vice-president Aetna Life, were elected directors, and F. N. Dull, vice-president Continental Casualty, and W. E. McKell, president New York Casualty, were reelected for another full three-year term by the New York Board of Trade.

Other insurance executives now serving include C. C. Gardiner, vice-president Hartford Steam Boiler, and Arthur Snyder, treasurer Alfred M. Best Co. Both Mr. Christensen and Mr. Lewis were elected for full three year terms. Practically all branches of insurance are now represented, either on the board or on committee assignments.

A part of the New York Board of Trade is its insurance section. The section acts autonomously on all matters affecting the insurance business, but is closely tied in with the parent body. The section is under the direction of an executive committee.

### ELIAS KLEIN GIVES PARTY

Manager Elias Klein of the Bookstaver agency of the Travelers in New York City was host to about 50 of his friends at a buffet supper at his home in Rutherford, N. J., which was followed by a theatre party at Millburn, N. J. A number of life insurance people were among the guests.

### CAPITALIZES ON "EXAMS"

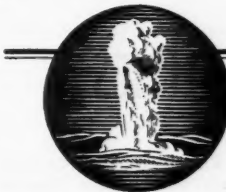
Written examinations for the new life insurance agents, which have been compulsory in New York state since the first of the year and have come in for a good deal of criticism from general agents and managers, can be made a help in recruiting, according to Theodore M. Riehle, general agent for Equitable Society in New York. Mr. Riehle has found that the examinations are

helpful first in convincing the prospective agent that he is getting into a business where he will not meet competition from hordes of ill-trained new agents.

Equally useful is the weeding out process which the examination enforces. If a new agent cannot last through the course of training and pass the thorough but fair examination which

the New York department gives, Mr. Riehle considers that the man is better not to have entered the business and that the general agent is money ahead in not having to waste further time on such unpromising material.

Mr. Riehle, perhaps the most aggressive pioneer in the movement to improve agency practices through eliminating



AS FAITHFUL AS "OLD FAITHFUL"

## Ambition Plus Rate Book Plus What?

No longer can you give a young man a rate book and a slap on the back... and say, "Now you're in the life insurance business. Go to it!"

More than just ambition and energy are needed today.

Your modern agent must have top-quality products to win and hold clients. In life insurance, top-quality products are modern policies issued by a company which can show:

- (1) Full level premium, 3% reserves
- (2) A high ratio of surplus to assets
- (3) A high rate of return on conservative investments
- (4) A consistently low rate of mortality
- (5) High dividends without dipping into surplus

Check these points and you will see why Mutual Trust and its field force are moving forward rapidly... in 18 states, including those with the most up-to-date laws for protection of policyholders.

## MUTUAL TRUST LIFE INSURANCE COMPANY

135 S. LaSalle St.  
CHICAGO

One of 24 purely mutual, net level premium, 3% reserve companies in the United States.

# THE MANUFACTURERS LIFE

WITHIN this Company, there is an ideal combination of the stability of age and the vigor of youth.

Fifty-three years of sound conservative precept and practice have built up a stable institution, strong financially and well seasoned in experience.

On this foundation is based today a truly modern, vigorous and progressive life insurance service.

INSURANCE IN FORCE, 590 MILLION DOLLARS  
(Including Deferred Annuities)  
ASSETS, 177½ MILLION DOLLARS

INSURANCE COMPANY  
HEAD OFFICE  
TORONTO, CANADA  
Established 1887

part time and unfit agents, is a strong believer in having an agency built up of well-trained career men. He feels that as general business activity increases it will be easier to recruit good men even though in poor times much more material may be available.

#### DRIVE HONORS HOEY

E. J. Phelps, vice-president and manager of the Hoey & Ellison life agency,

is conducting a production drive this month in honor of Mr. Hoey's 15th anniversary as general agent of the Equitable Life of Iowa. December is "Jim Hoey month" and the agency is asking the support of brokers and full-time agents in making the drive a complete success. The agency is showing a considerable increase in production over 1939 and the drive is expected to produce an exceptional record.

is \$200 for each year of attained age for each \$1,000 of ultimate insurance on the life of that individual.

As each individual insured under the contract reaches age 65, his portion becomes paid-up and the total annual premium is decreased by the amount of his premium. Children born after the policy has been issued may be added to the group on the anniversary of the policy.

percent on all withdrawable funds. Option 5 provides for payment as a life annuity according to the published annuity rates of the company at the time such annuity begins, less a discount of 3 percent.

Premiums for the new retirement income endowment follow:

#### Premium Rates Per \$1000 (Participating) Retirement Income Endowment

Age Under	Mos.	Prem.	Age	Prem.	Age	Prem.	Age	Prem.	At 60				At 65	
									Male	Female	Male	Female	Male	Female
15	.....	2661	2854	2208	2345									
16	.....	3121	3364	2536	2706									
17	.....	3230	3484	2613	2791									
18	.....	3344	3611	2693	2879									
19	.....	3467	3747	2779	2973									
20	.....	3597	3891	2869	3073									
21	.....	3735	4044	2963	3177									
22	.....	3883	4207	3064	3289									
23	.....	4040	4381	3171	3407									
24	.....	4208	4567	3285	3532									
25	.....	4388	4767	3406	3665									
26	.....	4580	4980	3534	3806									
27	.....	4787	5209	3671	3957									
28	.....	5011	5456	3817	4119									
29	.....	5251	5723	4119	4290									
30	.....	5512	6012	4140	4475									
31	.....	5794	6324	4319	4672									
32	.....	6102	6664	4511	4885									
33	.....	6436	7036	4718	5113									
34	.....	6803	7442	4942	5360									
35	.....	7206	7887	5184	5626									
36	.....	7650	8381	5446	5916									
37	.....	8142	8926	5730	6230									
38	.....	8690	9533	6040	6573									
39	.....	9304	10214	6381	6948									
40	.....	9997	10982	6755	7361									
41	.....	10781	11851	7166	7816									
42	.....	11678	12848	7620	8319									
43	.....	12717	13999	8127	8878									
44	.....	13926	15339	8694	9506									
45	.....	15353	16929	9332	10213									
46	.....	17071	18833	10053	11011									
47	.....	.....	.....	10875	11924									
48	.....	.....	.....	11825	12978									
49	.....	.....	.....	12931	14203									
50	.....	.....	.....	14231	15645									
51	.....	.....	.....	15783	17379									

#### Midland Mutual Changes Annuities and Options

The Midland Mutual has issued a new schedule of premiums and maturity values for retirement income endowments, effective Jan. 1. Monthly income at maturity will be paid for life with 120 months certain instead of 100 months, as heretofore. The single premium immediate annuity rates are being increased to the basis which has been recently adopted by a number of companies.

The settlement options for all new contracts have been revised and will now guarantee an interest rate of 2½

\*\$1000 Insurance or cash value, if greater. At maturity, \$10 monthly life income, 120 months certain. Maturity cash value. Age 60, male, \$1,701; female, \$1,893; Age 65, male, \$1,523; female, \$1,701.

## NEWS ABOUT LIFE POLICIES

By JOHN H. RADER

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem." Published Annually in May and March respectively. PRICE, \$5.00 and \$2.50 respectively.

### New England Mutual Revises Dividends

New England Mutual will adopt a new dividend scale for 1941 based on the lower interest factor of 3½ percent, and is more in line with current interest earnings. This adjustment, with minor changes in other factors of the dividend formula, results in rather wide variations under different policy forms from the dividends paid in 1940.

Dividends on paid-up policies, whose earnings come almost entirely from excess interest above reserve requirements, are naturally most affected. Earnings on term contracts come largely from mortality savings, and their dividends remain practically the same. Due to the lower interest factor used in dividend calculations, premium-paying policies will show a small increase in net cost which varies with the nature of the policy.

#### Pay 3¼% on Accumulations

Funds left on deposit, and dividends left to accumulate, will be credited with 3¼ percent interest.

In his announcement, President George W. Smith reported that the insurance earnings from this year's operations had been unusually satisfactory. This has been due in large measure to the favorable mortality experience of the year, and to the contribution from economy in operating expenses. While earnings are expected to provide a substantial margin over and above dividend requirements, it is considered a conservative action to apply this balance to the valuation of assets and increase in special funds.

#### Great-West Cuts Monthly Limits

The minimum monthly premium acceptable to the Great-West Life has been reduced from \$10 to \$5 for all plans except retirement annuity, provided the amount of insurance is not less than the minimum amount prescribed for the plan applied for. On retirement annuities the minimum monthly premium will remain at \$10. The minimum of \$5 is exclusive of the premium for any disability, accidental death or family protection benefits.

It is hoped that this change will increase the average size of new policies since many applicants will be prepared to pay by monthly premium for a larger policy than can be placed with annual or semi-annual premium payments.

#### Talbot Entertains Veterans

President Walter L. Talbot of Fidelity Mutual entertained 40 of the 47 members of the Twenty-Five Year Club at dinner at the head office. This was the 12th anniversary at which President Talbot has acted as host.

E. C. Wigfield, the president's secretary, was toastmaster. The club attended the "Fidelity Follies," under the direction of John Doherty, accounting department with 50 head office people taking part.

Equitable Society will continue its present dividend scale in 1941 except for minor changes occurring in the extra fifth year dividend and for the following changes:

Dividends on life policies and annuities issued prior to Jan. 1, 1932, containing income disability provisions will show a reduction in most cases. These have been on a modified scale. For 1941 the differences between the modified and regular dividend scales in most instances have been increased.

Dividends payable in 1941 under participating immediate annuities issued at premium rates in effect prior to Nov. 1, will show a reduction, due to the fact that the premium rates on these contracts were increased Nov. 1.

#### Reduction on Some Forms

There will be a lower dividend scale for 3 percent income bonds and 3 percent retirement annuities both on the annual and single consideration plan, and for annual premium optional deferred annuities and single premium deferred refund annuities. The 3½ percent retirement annuities will continue to receive no dividends.

Excess interest rate for 3 percent participating policy settlements will be .125 percent or a total rate of 3.125 percent. Under option I(b) included in policies issued after Jan. 1, 1939, for which guaranteed interest rate is 1½ percent, the new excess interest scale will be 1.25 percent, or a total interest rate of 2.75 percent. These rates will apply whether guaranteed payments are made annually or fractionally. Interest on dividends left to accumulate will be 3 percent, there continuing to be no excess interest dividends.

First year annual dividends per \$100 yearly income on participating life and refund annuities under the new scale will be: Contracts issued in 1940 at rates in effect prior to Nov. 1—Life (male) age at issue 55, \$6.05; 65, \$6.55; 75, \$6.69; refund (male) age 55, \$4.54; 65, \$4.30; 75, \$3.89. Contracts issued on or since Nov. 1, 1940: Life (male)—55, \$11.21; 65, \$11.34; 75, \$11.14; refund (male)—55, \$9.39; 65, \$8.70; 75, \$7.90. These dividends apply to females five years older.

#### Capitol Life Issues New Family Group Contract

The Capitol Life of Colorado will issue a family group contract based on life paid-up at age 65. This contract, like other family groups, is made up of individual amounts of insurance with rates and values based on each individual life. A minimum of \$1,500 total is required with no less than \$400 on any one of the lives to be included. It is also required that the applicant, whether it be the father or the mother, be insured for not less than \$1,000 minimum on his or her life. On children insured before the age of 5, the death benefit



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LIFE INSURANCE COMPANY

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## NEWS OF LIFE ASSOCIATIONS

### Boston Membership Drive Gets Results

BOSTON—A unique four star membership drive was staged here in which 769 new members were assured to the Boston Life Underwriters Association through pledges secured from general agents and managers. Preceding a general meeting 150 general agents and managers were invited to a special dinner at which President Harry T. Wright, Vice-president John A. Witherspoon, Secretary Grant Taggart and Past President C. J. Zimmerman, of the National Association spoke on management problems, emphasizing the desirability of association membership. Paul F. Clark, vice-president John Hancock and past president National association, urged a closer relationship between the home office and the field. He said the labor troubles which have arisen would not have come about if in the past managers had done more to see that their agents were enrolled in the National association.

#### Only One-Third Members

At the dinner Toastmaster Paul C. Sanborn, Boston general agent Connecticut Mutual and also co-chairman of the National association's membership committee, called attention to the fact that the Boston association, oldest in the country, had enrolled only one-third of the 3,000 life agents in greater Boston when it should have at least two-thirds. Each general agent and manager was given a list of agents in his office who are association members with an estimate of the additional number it would take to bring the Boston membership up to 2,000. General agents were then asked to pledge the needed new members on a salary deduction plan to ex-

tend over one year. The immediate result was the pledging of 769 new names with the expectation that others will be added later. At the mass meeting non-members of the 2,300 agents present were urged to join the local association.

Harry T. Wright, National association president, reports that plans are under way for a similar membership rally in New York City.

### Texas Tri-City Congress Speakers Are Announced

DALLAS—Speakers for the Texas tri-city sales congress to be held at Houston, San Antonio and Dallas on Jan. 28-30, have been announced by Jul B. Baumann, president Texas Association of Life Underwriters. Those who will make the 1941 speaking tour will be Dr. William Bailey, Travelers economist; Stanley E. Martin, Columbus, O., general agent State Mutual Life; John Witherspoon, Nashville general agent, John Hancock Mutual Life and vice-president National Association, and R. B. Coolidge, superintendent of agencies Aetna Life.

The 1941 annual convention of the Texas association will be held in Corpus Christi June 5-7.

### Younger Men Are Featured at Portland, Ore., Meeting

PORTLAND, ORE.—At the December meeting of the Portland Life Underwriters Association Douglas Nicol, chairman of the day, presented a program featuring four young men who have been in the business only a few years, yet who are doing a real job of life underwriting. Marvin Graser, Pacific Mutual, spoke on "Whom to

See" and indicated how successful he had been in approaching the younger men between 21 and 35. C. J. Sposita, National Life of Vermont, with 230 consecutive weeks in the App-a-Week Club, told "How to Get to Them." He explained the use of a letter sent before a call, asking for a definite appointment at a certain time. Ernest Tuller, Northwestern National, with a five-year app-a-week record, covered "What to Say." He told of five specific cases he had closed, and what he believed had been the exact words that had closed them. Herman Schmidt, Jr., Penn Mutual, closed the discussion, speaking on "How to Get Action."

Tribute was paid to Emlie Pittenger, Mutual Life, and Noel A. Dew, past president of the association, who died recently. Total membership was announced as 266.

### Legislative Dinner Dec. 17

LOS ANGELES—Arrangements are practically complete for the biennial legislative dinner to be given by the local life underwriters association of southern California here Dec. 17 to the members of the California legislature.

Speakers are: E. P. Fay, chief assistant insurance commissioner; Rev. J. R. Kellems, assemblyman, and Dr. R. M. Story, president Claremont College.

### Oklahoma Speakers Announced

OKLAHOMA CITY—The Oklahoma Association of Life Underwriters will hold its annual sales congress here Jan. 31. President J. T. Owens announces. Speakers will include R. B. Coolidge, superintendent of agencies Aetna Life;

F. G. Bray, Houston, Tex., general agent New England Mutual; H. T. Wright, Equitable Society, Chicago, president National association; J. F. Ream, assistant superintendent of agents Mutual Benefit; S. E. Martin, Columbus, O., general agent State Mutual Life. Tom Collins, Kansas City newspaper man, will be the luncheon speaker.

San Francisco—A special Christmas luncheon is being held Dec. 20. Members have been requested to bring candy and toys for under-privileged children.

Minnesota—A tentative date has been set for the mid-year meeting, which probably will be held in Minneapolis. Hiram Moore, St. Paul, and J. D. Ser-rill, Minneapolis, co-chairmen, are now contacting prospective speakers. The plan is to obtain two speakers in the life insurance business and two from without. This plan was followed last year.

Buffalo—At the December meeting a three act playlet was presented by home office supervisors of the Metropolitan Life. A. R. Maynard was in charge of the program.

Baltimore—Dr. Katharine Jeanne Gallagher, professor of history at Goucher College, Baltimore, and nationally known lecturer on world economics, discussed "International Affairs." The association will again conduct a Christmas party for the children in the Harriet Lane Home of Johns Hopkins Hospital and will expand this work to include the youngsters in the Johnston Home of the Union Memorial Hospital.

Oakland-East Bay, Cal.—Registration will close Dec. 15 for the sales training school which starts Jan. 4. Louis Diamond, Metropolitan Life, is general chairman. Sessions will be held each Saturday morning for 13 weeks. H. E.

## OUR "FIVE FEATURE"

series of

*Accident and Health Policies*

appeals to

**Business and Professional Men**

1. Non-Cancellable;
2. Guaranteed Renewable to Age 65;
3. No Increase in Premium at Any Time;
4. No Rider or Restriction After Issuance;
5. Non-Prorating in Respect to Change of Occupation.

ALSO . . . Hospital and Surgical Reimbursement Included.

LIFE AGENTS . . . You can supplement your income by furnishing your clients with "An Income When They Need It Most." (If you do not already have a good line of accident and health policies we invite you to write us for full details of our liberal part time proposition.)

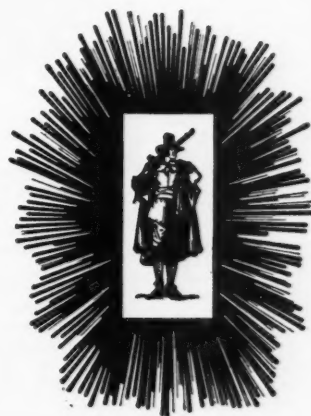
Over \$2.00 in Assets . . . for each \$1.00 of Liabilities

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LIFE INSURANCE COMPANY**  
BOSTON MASSACHUSETTS

"Income Protection Since 1895"

## THE PURITAN



If you buy oranges by the dozen you pay less per orange than if you buy them one at a time.

"The Puritan", Columbian National's new Preferred Whole Life policy, saves you money in the same way. You get a better rate because you buy in amounts of \$2500 or more.

**The COLUMBIAN NATIONAL  
LIFE INSURANCE COMPANY**  
HOME OFFICE  
BOSTON - MASSACHUSETTS  
A NEW ENGLAND INSTITUTION

North, vice-president Metropolitan Life, will speak at the opening session on "The Job of Selling—a Challenge to the Life Underwriter." January speakers are: Jan. 11, Professor Frank Kidner, University of California, "Types of Contracts—What's in a Policy;" Jan. 18, A. S. Holman, manager Travelers, "Ethics" and Prof. Kidner "Mortality Tables and Reserve;" Jan. 25, E. C. Sparver, New England Mutual Life, "Life Insurance Property and Situations" and Nels Nelson, Reliance Life, "Whom Shall I Sell?"

**Albany, N. Y.**—L. P. Faneuf, public relations expert Marine Midland Group, Inc., spoke on "Personality in Salesmanship."

The annual sales congress held in upper New York state by the New York state association will be held here, probably about May 9.

**Houston**—Paul Spelcher of the R. & R. Service addressed a luncheon gathering and also the class being conducted in the R. & R. course.

**Victoria, B. C.**—E. J. Wilson, Seattle general agent Northwestern Mutual Life, spoke on the technique of selling life insurance. During the last war life insurance sales increased because in times of crisis men buy insurance because they are afraid and seek security.

**Memphis, Tenn.**—W. W. Head, president General American Life, spoke on "World Events as They Affect America."

**Dubuque, Ia.**—H. F. Reynolds, Dubuque attorney, spoke on probate matters and importance of wills.

**Butler, Pa.**—G. A. Smith, manager Metropolitan Life, Pittsburgh, spoke.

**Washington, Pa.**—R. L. Pope, Sun Life of Canada, Pittsburgh, spoke.

**Pittsburgh**—Holgar J. Johnson, president Institute of Life Insurance and former Penn Mutual general agent here, spoke on "Our Public Responsibility."

**Beaumont, Tex.**—The sales training course will begin Jan. 10. D. E. Peavy, district manager Lincoln National Life, will be dean.

**Cleveland**—Superintendent Lloyd spoke on "How Safe Is Life Insurance."

**San Antonio**—Harvey Stowers, sales executive, spoke on "What Makes a Buyer Buy." The salesman must obtain the prospective buyer's attention on a favorable basis, appearance, tone control and correct English being important. He must have a complete knowledge of his product or service, understanding of his own personality and how others react, and knowledge of the customer.

**Milwaukee**—P. B. Hobbs, Chicago agency manager Equitable Society, spoke on "Selling in Today's Market." The meeting was open to non-members, who were invited to participate in a meeting preliminary to a membership drive early next year.

**Fox River Valley**—About 60 agents attended the monthly meeting at Appleton, Wis. In addition to the valley cities, guests from Green Bay, Manitowish and Sheboygan attended. T. H. Tomlinson, assistant superintendent of agencies and educational director of the Bankers Life of Des Moines, was the speaker.

**Boston**—Paul Troth, supervisor of publicity Home Life of New York, will give an illustrated talk Dec. 20 on "Ideas That Click."

**Worcester, Mass.**—M. J. Lacy of Boston was the guest speaker. He has a 25 year record of success as a salesman, trainer and sales manager. Among those seated at head table were Irving T. F. Ring, general counsel, Robert Denney, supervisor of agencies, and Donald Mix, manager conservation department, State Mutual Life. Thirty-one applications for membership were approved.

**Chicago**—Plans for a membership drive based on five essentials in which the association has achieved outstanding recognition were discussed at a meeting of approximately 50 members of the membership committee, of which W. E. North, New York Life, is chairman. The membership of 2,100 at the close of the last fiscal year has been maintained by conservation policies and is expected to be increased in 1941. Points to be stressed will be prestige, expansion of market for members, cooperation, code of ethics, and destructive influences which tend to harm the business. Co-chairmen are R. R. Reno, Jr., Equitable Society and P. J. McNamara, Metropolitan.

## COAST

### Radio Broadcasting Opinion

Commissioner Caminetti of California has received an opinion from the attorney-general that radio stations located in California are forbidden to carry broadcasts of advertising of a non-admitted insurer even though the program originates outside the state and is broadcast over a network.

### Walrath Recommends Changes

BOISE, IDA.—Insurance Director Walrath has recommended that life agents be placed under the agents' qualification act with the exception that they need not qualify for residence within the state. A full-time company examiner, publication of insurance laws and elimination of biennial reports are suggested in the director's report to the governor.

### Law Permits Housing Investment

Governor Olson of California signed an emergency bill, passed by a special session of the legislature last week, which will permit life companies operating in the state to invest in low cost housing projects. This will allow Metropolitan Life to proceed with its plans to build a \$25,000,000 project near Los Angeles. To obtain permission to make such investment a life company must have at least \$50,000,000 assets and not more than 12½ percent of all admitted assets invested in real estate.

### New Colorado Code Ready

DENVER—The new Colorado insurance code is expected to be issued within the next few weeks. A few copies are already off the press but the books will not be released until the complete issue is printed. The statutes were annotated under the direction of J. G. Donaldson, former inheritance tax commissioner and

applicant for the position of insurance commissioner.

### Reliance Life to Leave Oregon

PORTLAND, ORE.—The Reliance Life is withdrawing from Oregon. Robert Earl, general agent, is at present on a vacation trip to southern California. It is expected that he will stay in Oregon and continue in life insurance.

## INDUSTRIAL

### Reduce Agency Divisions

CINCINNATI—Western & Southern Life has reduced the number of its agency divisions from five to four in the interest of efficiency and economy. C. F. Brawley, superintendent division E, returns to his old Norwood district as manager where he made some of the company's outstanding records. Eugene Wolfe, who succeeded Mr. Brawley in the Norwood district as manager when he was appointed divisional superintendent of agencies, has been transferred to his old district, Cleveland West, as manager. New divisional lines necessitated by the elimination of division E will be announced shortly.

### Richmond Agents Vote for Union

Richmond Va., agents of the Continental Life of Washington, D. C., have voted, 22 to 14, to join the American Federation of Labor union. The election was conducted under an agreement between the company and the union, by W. M. Aicher, regional director National Labor Relations Board.

Dr. W. R. Ward, chief medical director Mutual Benefit Life, was feted this week by his many friends and officials on his 70th birthday with a reception and dinner.

## OVER 1000 AGENTS RESPOND



That many agents can't be wrong. And they're not! Our Hospital-Surgical Plans offer you today's best "sales-tool." They're popular plans. Their unusual benefits interest everyone. They're low in cost . . . and carry a liberal commission. For either direct sales or as a "door-opener" here's the easiest means of supplementing your present income by as much as \$100 per month . . . AND WITHOUT INTERFERING WITH YOUR PRESENT CONNECTION.

Quick To See The Money-Making OPPORTUNITIES With Our Line Of HOSPITAL-SURGICAL PLANS

### Sample of Benefits That Win Easy Sales

1. HOSPITAL CONFINEMENT—Up to \$5.00 per day, for as long as thirty days in any one policy year, while confined in a recognized hospital in the United States or Canada.
2. OPERATING ROOM—\$10.00; ANAESTHETIC—\$10.00; X-Ray (except teeth) \$5.00.
3. SURGEON'S FEES—\$50.00, \$25.00, or \$15.00, depending upon class of operation, for surgical operation when performed in the hospital. Included in the surgical schedule are all types of operations that are most prevalent.

THESE PLANS WILL INTEREST YOU TOO! Write Today

### Typical Results as "Door-Opener"

"I appreciate your sending me that Hospitalization request. I didn't write that but I wrote a child for \$1000. Thank you."

Agent's Name on Request.

Address James A. Preston, Sales Manager

The COLUMBUS MUTUAL Life Insurance Co.  
COLUMBUS OHIO

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THE BOURSE PHILADELPHIA



## MANAGERS

### Stoessel Named President of Los Angeles Managers

LOS ANGELES—W. J. Stoessel, National Life of Vermont, was elected president of the Life Insurance Managers Association at the annual meeting. Other new officers are:

Vice-president, F. M. McMillan, Penn Mutual; secretary-treasurer, R. L. Hoghe, Equitable of Iowa; directors for two year terms, R. R. Hays, Jr., New England Mutual, A. E. Payton, New England Mutual, retiring president.

Vice-president W. M. Rothaermel, Pacific Mutual Life, spoke on "Blueprinting an Agency."

R. H. Finger, who succeeds H. S. Standish as southern California manager Sun Life of Canada, was elected a member. Kellogg Van Winkle, agency manager Equitable Society, legislative chairman California State Life Underwriters Association, reported the insurance division had adopted the wording desired by the life underwriters for three of the life insurance measures that will go before the legislature at the coming session in January. Among these were Section 760 of the insurance code, permitting new agents to write insurance on their own lives, and the insurance counsellor measure.

### Bankers of Iowa Managers Meet

Fifty-three agency managers of the Bankers Life of Iowa attended a four-day conference in Des Moines with home office officials.

### Year End Metropolitan Parley

The annual "year end" managers meeting of the southwest territory of the Metropolitan Life was held in Kansas City Dec. 12 with Glenn J. Spahn, superintendent of agencies, in charge.

### Boston Managers Elect Dec. 18

The annual meeting of the General Agents & Life Managers Association of Boston will be held Dec. 18. It is expected that Vice-president George P. Smith, New York Life, will become president, succeeding Clyde F. Gay, Aetna Life.

The Milwaukee Life Insurance Cashiers' Association adjourned business for a Christmas party and dinner for members at its meeting Dec. 10.

## SALES MEETS

### Features of N. W. Mutual Eastern Meeting Announced

A dramatic presentation on "The Successful Pattern—How to Use It," with actual demonstration of sales techniques and ideas by leading producers will feature the Friday afternoon program of the annual meeting of the eastern agencies of the Northwestern Mutual Life in New York City, Jan. 3-4. John Jamison, production manager of the Boston agency, will lead this analysis-demonstration of what the success pattern is and how the agent can utilize it for better profit in 1941.

In addition to the opening address by Grant L. Hill, director of agencies, the first morning, Paul Speicher, R. & R. Service, will speak and there will be a special presentation from one of the country's largest industrial and research organizations.

New sales ideas for 1941, proven in the field by Northwestern Mutual agents, will be given Saturday morning. Ben S. McGiveran, general agent at Eau Claire, Wis., a leading personal producer and a member of the Million Dollar Round Table, will be the final speaker on "New Horizons."

President M. J. Cleary will address the

luncheon meeting and report on the progress and development of the company in 1940 as well as giving his views on the outlook for new and higher goals in 1941.

### Fidelity Mutual Managers Meet

CINCINNATI—The executive committee of the Fidelity Mutual managers' association held a meeting here to discuss plans for that organization. C. B. Metheny, Pittsburgh, is president, and Paul Johnson, Cincinnati, secretary.

### Cropper Holds Gathering

O. T. Cropper, Kansas manager Aetna Life, held his annual sales meeting in Topeka with Robert B. Coolidge, superintendent of agencies, and Allin Kahlr of the home office in attendance.

## RECORDS

**Connecticut Mutual Life**—A gain in insurance in force of \$38,343,599 for the first 11 months was recorded. Sixty-seven agencies showed increases in insurance in force, with 13 recording increases of more than \$1,000,000. Insurance in force has reached the all-time high of \$1,080,198,803.

November was the tenth plus month in 1940. New paid life insurance amounted to \$7,644,466, 1.5 percent higher than for November, 1939. Paid business on Dec. 1 stood at \$92,259,944, 9.3 percent ahead of the same period last year.

**Franklin Life**—During November assets increased to a greater extent than in any previous month except August of this year when unification of Franklin with Great American Life of Texas, increased assets by more than \$3,000,000. During November assets increased by \$415,000.

Received business for the four month period ending Nov. 30, reached \$9,382,000, while paid business for the first 11 months showed an increase of approximately \$1,000,000 over the same period of 1939.

**Equitable Life, Iowa**—November business totalled \$4,558,858, an increase over the same month in 1939 of 8.3 percent. November was the tenth successive plus month. Paid business for the year stands at \$47,814,275, increase \$3,935,148, or 9 percent. Rice agency, Harrisburg, led in November with \$234,670.

**Great-West Life**—More individual sales were made in a business drive in November in honor of President George W. Allan than in any previous month of the year. Winnipeg and Toronto 1 branches led all agencies in new business production with Chicago and Detroit leading the United States branches. Top honors for individual achievement went to Louis White, Toronto, and H. Beube, Hamilton, Ont., with W. C. Addy, Minneapolis, the leading U. S. producer.

**Bankers Life, Ia.**—W. K. Thompson, Madison, Wis., was the leading producer during November. W. B. Mahaffa, Des Moines, was second and Joseph Janciar, Pittsburgh, was third. The W. K. Niemann agency, Des Moines, was the leading agency. The Frank C. Wigginton, Pittsburgh, was second and the F. W. Darling, Cedar Rapids, third.

**General American Life**—All President's Month records were shattered in October with \$7,556,749 new business compared with \$5,860,623 a year ago. Tribute was paid W. W. Head, president. October marked the 15th consecutive monthly gain. Accident and health premiums for October topped all previous records, while group production was more than doubled.

From Nov. 11 to Dec. 31, the General American is conducting a special group campaign, stressing the advantages of group life as Christmas gifts to employees.

**Reliance Life**—Reports 3 percent increase in new life insurance paid for in November, compared with November, 1939. For the first 11 months new life

80 YEARS OF SERVICE

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A MUTUAL COMPANY  
ESTABLISHED 1860



## Agent Confidence

comes through whole-hearted home office cooperation every day in the year. It's the kind of help that makes a good man really outstanding in his field.

American Mutual Life agents know their home office is backing them to the limit with policies that **SELL** and prospecting plans that **PRODUCE RESULTS**.

Write to John J. Moriarty, Vice President. Attractive midwest territories available.

Purely Mutual

# AMERICAN MUTUAL LIFE

DES MOINES

insurance paid for totaled \$49,090,292, an increase of 5.5 percent. Life insurance in force at the close of November reached a new high of \$503,375,519.

**Manhattan Life**—New business in November, which was Fordyce month, was \$3,859,000, an increase of 28 percent over Fordyce month of 1939. The leading general agents, agents and officers celebrated the occasion at a dinner in New York Tuesday.

**San Francisco agency, California-Western States Life**—For the second time this year was No. 1 in the agency honor roll for October. Written volume 200 percent of that in October, 1939. About 25 percent of month's business secured from policyholders and 21 percent of all applicants made complete cash settlement. Average applicants in October \$2,432.

**J. S. Dey, Manufacturers Life, Newark**—Had paid for more than \$1,000,000 at the close of the company's year, Dec. 12. The Newark branch has been established a little more than a year.

#### Publish L. O. M. A. Proceedings

The printed proceedings of the 1940 conference of the Life Office Management Association held in Des Moines are being distributed to members. These proceedings contain more than 300 pages and are in bound form.

## C. L. U.

### Agents' Compensation and Pensions Are Discussed

LOS ANGELES—"Agents' Compensation and Pensions" was discussed before the Los Angeles C. L. U. Chapter by a panel headed by Walter Westcott, Equitable Society, along with J. R. Mage, Northwestern Mutual; H. W. Dougher, John Hancock Mutual; F. W. Forker, Pacific Mutual, and Marvin Sherman, Equitable Society.

In opening the discussion, Mr. Westcott said that the Temporary Economic Committee's report indicated that the agency system is the weak spot in life insurance and that compensation of the agents is one of its difficult problems. The agency system is the best plan yet known, he said. However, an agent's efficiency is impaired by lack of sufficient income to finance himself in his early years, so it behooved life insurance to put its own house in order in this respect.

Talking from the agents' viewpoint, Mr. Mage said there is no system to provide an income balance for expenditures during the agent's first years. Orphan policyholders assigned to the agent provide him with no remuneration except if he makes additional sales. He feels a system should be devised to pay the agent for servicing these orphans. The agency system will be bettered if an old age pension program is adopted.

#### Heavy Turnover of Agents

Talking from a managerial standpoint, Mr. Dougher called attention to the heavy turnover among agents. A survey showed only 49 men out of every 100 are still in the business at the end of their first year; 27 at the end of the second year and only 19 became career men. This turnover could be greatly reduced and thereby simplify the matter of compensation.

As a home office representative Mr. Forker said the agency system must be improved. The high cost in the field is due in large part to the marginal and submarginal agent. The turnover of men has to be checked. A high type of man must be attracted to the business. Although low morale is due to many things, compensation is not a high ranking factor, he said.

Mr. Sherman, viewing the topic from the public's angle, said its view of the agency system was contemptuous. Unless agents are of the highest type, they make work for the posted man in correcting errors. The poorly equipped

agent has led the public to hold life insurance men in general in contempt.

Mr. Forker cited three company pension and retirement plans. The tendency is along three lines, recognizing business in force as the basis of retirement and pensions; giving the career man a better break; and working along as the companies are today with elimination of the marginal and submarginal agents, culminating in a pension plan at the end.

Plans for forming a class in public speaking were outlined by F. W. Pierce, chairman public relations committee. Chairman Rolla R. Hays, Jr., announced that the C. L. U. course on agency management will be resumed after the new year.

#### Hartford Chapter Elects Holway

P. I. Holway, Connecticut General, has been elected president Hartford C. L. U. Chapter. Vice-president is A. H. Hiatt, Jr., superintendent of agencies Aetna Life, and secretary-treasurer W. L. Camp, 3rd, editor Connecticut Mutual Life. President Holway has appointed S. H. Purdy, supervisor Mutual Life, as chairman of the association's educational committee and E. C. Wilkins, Phoenix Mutual, and L. O. deRonge, general agent Columbian National, compose the program committee.

#### Full Card For Boston Parley

BOSTON—At the Boston C. L. U. Chapter's Dec. 17 meeting W. R. Purcell, New York Life, and M. P. Ford, Home Life, will discuss two unusual cases. C. W. Wyatt, John Hancock, with a panel jury consisting of B. S. Collins, Old Colony Trust Company, S. D. Weissman, Equitable Society, and W. N. Watson, Fidelity Mutual Life, will answer questions on cases propounded from the floor.

## CHICAGO

#### WILLIAMS JOINS ZIMMERMAN

C. J. Zimmerman, Chicago general agent Connecticut Mutual Life, has appointed R. L. Williams service manager. Since 1938 Mr. Williams has been with the Research & Review Service as sales and service representative in the central states with headquarters in Chicago.

With the Zimmerman agency Mr. Williams will devote his efforts to income agreements, direct mail, agency prospecting and will also do personal production. He replaces E. G. Walls, Jr., who was recently transferred to Los Angeles.

#### SUPERVISORS HAVE PARTY DEC. 17

The Life Agency Supervisors Club of Chicago will give a party for the general agents and managers Dec. 17 in the Electric club, Civic Opera building.

#### ILLINOIS JOB PENSION MOVE

Illinois state unemployment compensation board inspectors visited a Chicago life agency this week and demanded copies of agents' contracts in an effort to check on the element of control of the agents which might serve to set up the employer-employee relationship. The general agent refused to produce the contracts. The subject was taken up at a meeting of the general agents and managers division of the Chicago Association of Life Underwriters. It was said the inspectors sought to determine whether the agents were independent contractors, employees of the general agent or employees of the company. Illinois so far has not adopted legislation to put it in line with federal statutes, which exempt commissioned life agents. A bill has been prepared to amend the state unemployment compensation law in this respect.

#### HASTIE AGENTS DECORATE TREE

The J. R. Hastie agency Mutual Life of N. Y., Chicago, has a Christmas tree conspicuously located in the agency room, which it is up to the agents to

decorate. For every application that comes into the office an ornament is placed on the tree, and for every premium paid a light is added. A small card is pinned to each ornament or light, giving the name of the agent who is responsible for it having been placed there. On Dec. 23 at 1 p. m. the entire agency will meet for a Christmas party complete with turkey and Santa Claus with a grab bag, in which each person will have placed a small present. Every agent who has written an application during December will be given a chance to draw for an envelop in which will be placed an unsigned application. The lucky agent will be allowed to sign the application and will receive the original and renewal premiums as a present from Mr. Hastie. This is the second time the tree decoration scheme has been used in the Hastie agency, the other year being 1935 when it brought very successful results.

#### ROONEY AT LAWYERS CLUB

A. C. Rooney presented a paper at the December dinner meeting of the Chicago Life Insurance Lawyers Club. J. M. Breen gave a story and Herman Goldstein reviewed current decisions.

#### Cincinnati Study Courses

Instructors at the Cincinnati C. L. U. chapter's study courses are E. F. Pierle, Provident Mutual, parts 1 and 2, and Prof. M. C. Smith, Miami University, part 3. Meetings are held Fridays.

The manger and stable which proved such an important part of the civic observance of Christmas in Cincinnati has again been made possible this year through the generosity of C. F. Williams, president Western & Southern Life. Live animals and a shepherd are features of the stable, which depicts the Christ child in the manger.

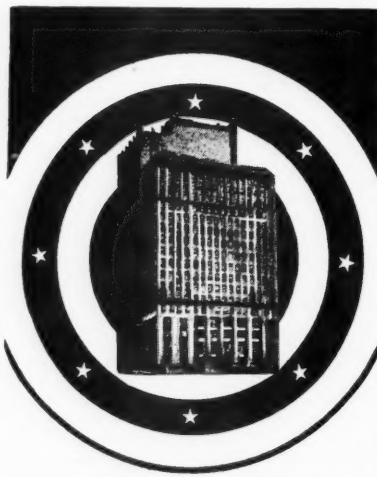


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**OPPORTUNITIES**  
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**LIFE INSURANCE COMPANY**  
OSHKOSH, WISCONSIN



## LEGAL RESERVE FRATERNALS

### DeBarry Goes with C. O. F. in Sales Post

Catholic Order of Foresters Jan. 1 will institute a complete program of modernization of its insurance certificates and selling methods, placing the field representation on an agency basis very largely and under modern agency contracts.

C. D. DeBarry, who for many years has operated C. D. DeBarry & Co. of Chicago and is widely known for his work in rewriting the certificates of many fraternal societies on an adequate premium rate basis, will close this office and go with C. O. F. as general sales director of the new business department, in charge of the entire field organization.

Mr. DeBarry has been given broad latitude. It is understood a complete line of most modern certificates will be brought out, comparable in benefits to those of old line legal reserve life companies and containing full non-forfeiture values, including cash and loan. Mr. DeBarry has been preparing a modern agency agreement which, it is understood, all field representatives will be required to sign. This will set standards of representation and will give the head office much better control over its field people than in the past. He is expected to draft much new blood into the field force and make many appointments before long.

Mr. DeBarry has had long experience in organizing and training selling forces. He entered the business in 1919. Some years ago he conducted a rewriting

campaign for C.O.F. which was highly successful. He has conducted similar campaigns for Women's Catholic Order of Foresters, Catholic Knights of Wisconsin, Polish Alma Mater, Security Benefit, Ladies Catholic Benevolent, Western Catholic Union, Maccabees, Globe Life, Catholic Knights of St. George, Oregon Mutual Life, Mutual Benefit & Aid Society and Woodmen Circle. The total amount of business transacted for these societies was approximately \$200,000,000 of which more than \$23,000,000 was new and increased



C. D. DeBARRY

business. A large amount of this was in transferring members who were on inadequate rate bases to a new legal reserve form on level premium basis. All of the societies in which the DeBarry organization did this type of work now are in sound financial condition.

#### Has Headquarters in Chicago

As general sales director of C.O.F. Mr. DeBarry will have headquarters in the home office and function on a full time basis. This society has \$122,000,000 insurance in force. It has a solvency ratio of 115.6 percent.

Mr. DeBarry was born April 12, 1890, on a farm 12 miles east of Lansing, Mich. For many years he has owned a 350-acre farm four miles east of Barrington, Ill., and has lived there. This farm is rated as one of the best in the state, supporting a large herd of pure bred Guernsey cattle, 1,000 chickens and raising 600 hogs each year. Mr. DeBarry plans to open a dairy, cheese and soft drink store near his farm which will be managed by his son, Julian C., who has been in the DeBarry agency for about two years.

#### Resigns Lincoln National

Mr. DeBarry has resigned as general agent of Lincoln National Life, which he has represented for about six years and has sold his general insurance business, which has been conducted for 10 years, to the Osborn & Lange agency of Chicago. R. N. Mann, who formerly was connected with the DeBarry agency and went with Osborn & Lange about a year or more ago, is familiar with the DeBarry business and will handle it.

Plans are being arranged by C.O.F. for an educational campaign that is expected to result in a much larger field force. The new policies to be introduced Jan. 1 will place the C.O.F. in a position to compete with any life insurance institutions, according to the announcement by T. R. Heaney, high secretary.

#### New Series of Certificates

The new line of certificates will be on 3½ percent American Experience table, Illinois standard. It will supersede all old contracts. Included in the form will be: \$1,000 ordinary life, whole life with limited accident benefits; special ordi-

nary life with special low rates in amounts of \$2,000-\$25,000; whole life 20 payment and 25 payment; whole life paid up at 50 and also at 60; endowments including 20, 60, 65 and 85 years; 10 and 20 year convertible term; whole life 20 payment life and endowments, both 20 pay and at 65, to be issued to substandard risks, and juvenile term to 16, whole life, 25 payment life, and endowments at 65 and 85. C. O. F. heretofore has not done a substandard business.

### N. F. C. Leaders in Session During N. Y. Gatherings

Many fraternalists attended the New York meeting of the commissioners and also sat in the sessions of the Life Presidents Association. Among these were the entire executive committee of the National Fraternal Congress headed by A. O. Benz, president Aid Association for Lutherans, and including T. R. Heaney, Catholic Order of Foresters; N. F. C. vice-president; O. E. Aleshire, Modern Woodmen; F. P. Matthews, Knights of Columbus; Mrs. Grace W. McCurdy, Royal Neighbors; Miss Frances D. Partridge, Woman's Benefit, past N. F. C. president; J. P. Sekerak, Greek Catholic Union of U. S. A., and N. J. Williams, Equitable Reserve.

Among the others present were H. L. Ekern of Chicago, president Lutheran Brotherhood; J. M. Miller, Chicago, Woman's Benefit; Landon Knight and Miss Erna M. Barthel, both of Royal Neighbors; E. J. Bullard, Detroit, director Modern Woodmen; J. V. Sees, Lawrence, Kan., Standard Life, and W. D. Benedict, Dobbs Ferry, N. Y., Modern Woodmen.

The N. F. C. executive committee held a meeting, considering much business, but taking no decisive action.

### Mass. Legislation Proposed

BOSTON — Commissioner Harrington, in recommendations to the legislature for new laws, has several measures which would affect fraternalists. One is intended to clarify the right of a society to deduct from death benefits any outstanding loans to members. Another proposal is to authorize societies to invest funds in shares of Massachusetts cooperative banks and federal savings and loan associations. The commissioner asks that the limit of insurance which funeral societies can issue to an individual risk be raised from \$100 to \$300. Another proposal is to require societies operating on the lodge system to file with the department a complete stenographic report of the proceedings of supreme lodge conventions. The latest report of the insurance department on the society would be required to be read at the conventions.

### Distribute N. F. C. Proceedings

The proceedings of the Baltimore annual convention of the National Fraternal Congress held last August have just been published by the headquarters office in Chicago. Foster F. Farrell, secretary-manager, was the editor. The proceedings of the presidents' section at Baltimore were published in a separate pamphlet. Both are being distributed this week to member societies, state insurance departments and interested persons.

## WOODMEN OF THE WORLD LIFE INSURANCE SOCIETY

Its investments of more than \$129,000,000 are largely in Government, State and Municipal Bonds.

It has paid to beneficiaries over \$266,000,000, and to living members over \$51,000,000.

It values all of its outstanding business on the American Experience Table and 3%, and for each \$100 of reserve and current liability it has assets on hand of the value of \$117.51.

Through prosperity and depression, war and epidemic, its financial strength has paralleled its record of insurance and fraternal service.

It maintains at San Antonio, Texas, an endowed free hospital for members who suffer with tuberculosis. This institution is on the accredited list of the American College of Surgeons.

Founded in 1890, the Society is this year celebrating its 50th Anniversary with a great nation-wide campaign for new members.

De E. Bradshaw, Pres. Omaha, Nebr.



"Five Pertinent Points . . . " that make selling to Lutherans (a select prospect list) both profitable and easy for you:

1. Financial Strength
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If you are interested in a secured selling future that will increase your income, address your letter to Superintendent of Agencies:

**LUTHERAN BROTHERHOOD**  
Legal Reserve Life Insurance  
Herman L. Ekern, President  
MINNEAPOLIS MINNESOTA

## PROTECTED HOME CIRCLE SHARON, PA.

FOUNDED IN 1886

### A Legal Reserve Fraternal Insurance Society

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**A. O. U. W.**  
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Provides All Popular Forms of  
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A True Fraternal and a Mutual  
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THE WOMAN'S BENEFIT ASSOCIATION  
Founded 1899

A Legal Reserve Fraternal Benefit Society

Bina West Miller, Supreme President  
Frances D. Partridge, Supreme Secretary  
Port Huron, Michigan



AT MEETING OF INSURANCE COMMISSIONERS AT NEW YORK:  
Leslie Cooper, associate actuary Pacific Mutual Life; Ralph Kastner, associate general counsel American Life Convention, and Herman Ekern, Chicago, president Lutheran Brotherhood and former commissioner of Wisconsin.

## Disability Reserves Held Deductible

(CONTINUED FROM PAGE 1)

which substantially identical provisions had been so construed and applied that the life insurance companies could and did obtain these deductions.

"During that entire period, the Treasury found no ambiguity in section 203 (a)(2), and expressed no doubt as to a life insurance company's right to make such deductions."

However, new regulations were promulgated Feb. 11, 1935, holding disability reserves to be non-deductible under the 1934 act, and Dec. 18, 1935, a Treasury decision held that this regulation applied retroactively to the 1932 and earlier acts.

"Respondent now says that its former practice in permitting disability reserve deductions was erroneous and that the new regulations should be given full retroactive effect," he noted.

"It is the government's contention that the change in the regulations was particularly appropriate because induced by judicial decision."

However, while it was true that the court has held that reserves set aside by life insurance companies to protect the payment of policy investment purchases cannot be used as the basis for deductions, those decisions "rested upon the conclusion that the investment fund features had no relation to the insurance risks."

On the other hand the health and accident reserves are based upon contingencies of the commencement and continuance of disability.

"They have a direct and inseparable relationship to the very insurance contracts which bring respondent under a special tax scheme," it was pointed out. "Nor is there a distinction, as respondent urges, between that part of the reserve set aside to protect policy holders not yet disabled and that part set aside to protect those already disabled. The liability to those who have incurred disability is not a fixed sum, but remains a contingency, still uncertain in duration and amount. Reserves held for such a contingent liability are true reserves in the insurance sense."

Because only Congress can deal with the deduction for disability reserves there need be no discussion of the extent to which the Treasury regulation, under other circumstances, might be given retroactive effect, or the government's argument that the policy behind the special treatment afforded life insurance companies does not warrant allowing the deduction.

## Monumental's Payments to Drafted Employees, Agents

Monumental Life will pay draftees, who have been in its employ full-time more than six months and less than one year, a bonus of one month's salary in cash; to those employed more than one year but less than two years, one month's salary in cash and a month's salary payable in 11 equal monthly installments and to those with the company two years or more, one month's salary in cash and two months' salary payable in 11 equal monthly payments. No reduction in these bonus payments will be made on account of any service pay or allowance received by the trainee from the government.

In addition, the company will pay each field representative all first-year commissions falling due during his army service on ordinary business written by him prior to his entering the service. This program applies to those employees who are required to leave the company prior to Nov 1, 1941, under the selective service law.

## G. W. Allan, Great-West Life President, Is Dead

(CONTINUED FROM PAGE 3)

of Great-West Life in 1904 and in 1926 he became president. Despite the great breadth of his interests he found time to become well known to both agency and staff representatives of Great-West Life. He was a popular figure at conventions and agency meetings and delighted in mingling with agents in whose work he took a keen interest. Mr. Allan possessed a rare combination of business ability and leadership.

His genial and kindly nature and sense of humor never failed to leave

their impression on those with whom he came in contact. Despite his 80 years, he was as active physically as he was mentally and on his way to the Pacific Coast last month stopped off with friends at Edmonton, Alta., to enjoy a duck hunt. A keen golfer, he could give strokes to many a younger opponent. He was a great traveler and had a host of friends all over the world.

Mr. Allan became known as one of the pioneer business leaders of western Canada and his many interests kept him in constant touch with all parts of Canada. He was chairman of the Canadian committee of the Hudson's Bay Company, senior partner of a large law firm and a director of many companies.

At one time active in politics, he was returned to the Dominion house of commons as a member for South Winnipeg from 1917 to 1921.

His wife predeceased him in 1938. He is survived by two daughters, Mrs. R. D. Baker and Mrs. Ross M. MacDonald, both of Winnipeg; three sons, William, of Vancouver; Arthur C., of Winnipeg; and Edmund, a pilot for the Trans-Canada Airways; also one brother, F. G. B. Allan, and a sister, Miss Audrey Allan, both of Toronto.

## Honor Rochester Veterans

ROCHESTER, N. Y.—At a recent dinner meeting of the agents' association of the E. E. Lincoln general agency of the Northwestern Mutual Life service pins were presented to H. L. Meyer, 47 years; J. M. Miller, 43 years; J. B. Barbour, 26 years; Norbert Rauber, 24 years, and W. C. Rugg, 19 years. B. G. Bennett, former Rochester general agent,

holds the highest service record in the entire country with a record of 56 years. Two days later Mr. Meyer, who was 79, was stricken with a fatal heart attack.

## Lawyer Advises "Adult Group"

NEWARK—S. J. Foosner, well known Newark insurance attorney, talked on "Your Life Insurance and Your Will" before an "adult group" in the Weequahic high school. He advised that everyone should consult a life agent and have explained to him the privileges afforded policyholders under a life insurance contract. He also pointed out the importance of proper disposition of life insurance proceeds and general estates.

These talks are given under the auspices of the Essex County Bar Association under the title of "Law and Layman," with a different topic at each meeting.

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GENERAL AGENT**  
AMERICAN UNITED LIFE  
INSURANCE COMPANY



If you are interested in being "somebody" in your locality and have ambition to become a general agent functioning directly under the home office—write for details. Address Dept. NU-1240

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Field men of the Dominion Life are backed by the experience and financial strength of a progressive Company.

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**PURE PROTECTION  
LOW COST  
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Ordinary, Whole Life Policy Without Investment Features

Life Insurance In Itself Is Inexpensive

ESTIMATED AVERAGE ANNUAL COST

**AGE 40 ... \$16.40**

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**82 YEARS OF STEADY GROWTH**  
Makes for Confidence in the Future

**MONUMENTAL LIFE  
INSURANCE COMPANY**

Home Office—Baltimore, Md.



# Sales Ideas and Suggestions

## Indiana Sales Congress Produces Helpful Ideas

INDIANAPOLIS—The annual Indiana sales congress here was opened by Lester O. Schriver, Peoria general agent Aetna Life and past president National Association of Life Underwriters, in a talk on "Rededication." Nearly 500 agents and executives, representing the 16 local associations in Indiana, attended. H. E. Storer, Bankers Life was general chairman. O. D. Pritchard, Union Central Life, president Indianapolis association, presided in the morning. Mr. Schriver, who was introduced by Paul W. Simpson, Indianapolis general agent Aetna Life, declared that life insurance saved the country from economic chaos by paying to policyholders and beneficiaries the tremendous sum of \$25,000,000,000 in the last 10 years.

Agents were urged to talk more of life, its problems and their solution than of life insurance as such by H. K. Nickell, Connecticut General, Chicago. Mr. Nickell, who is chairman of the Million-Dollar Round Table, was introduced by H. E. Nyhart, Indianapolis manager of his company. The professionally trained life underwriter is meeting the more exacting demands of the public and providing for individual needs, Mr. Nickell said. His services are accepted and used by men and women who have responsibilities and are willing to meet them. Nearly every individual who has an economic future can make use of life insurance. Life insurance is an intangible service which finally results in a very tangible product—money for future delivery.

### Instrument of Democracy

J. M. Gantz, Cincinnati general agent Pacific Mutual Life, talked on "Truth Is Stranger Than Fiction." He was introduced by Earl T. Bonham, Indianapolis general agent Pacific Mutual. "In these times the personal dignity of the individual is being assailed all over the world," Mr. Gantz declared. "The right to perpetuate property to the family as an economic unit is being challenged. Particularly under such conditions life insurance is an instrument of democracy, the expression of our people in their adjustment to industrial and economic changes. Through life insurance they can leave their loved ones a stake in the community."

H. L. Rogers, Equitable Society, president Indiana association, presided at the luncheon. Prof. J. E. Hedges, University of Indiana, was introduced by C. F. Davis, State Mutual, president Indianapolis C. L. U. chapter. "Life insurance satisfies what people want," Mr. Hedges said. "It lowers the cost of bearing unescapable burdens and decreases the burden of loss that is imposed upon the family in event of the removal by death of the individual to whom it looked for support."

### Kahler Sells Ideas

Albert H. Kahler, second vice-president and superintendent of agents Indianapolis Life, was introduced by F. D. Brosnan of his company. "We don't sell life insurance," Mr. Kahler said, "we sell ideas, the fulfillment of which prevents suffering and misery and promotes happiness and comfort."

"When I go in to see a man, I have my opening sentences in mind," Mr. Kahler explained. "I have learned that the prospect does not like a frontal attack and such an approach often spoils a sale." One plan he uses is to list one by one the expenditures which the widow will have to face in event of the

prospect's death. He then adds them up and deducts this sum from the known life insurance the man has. This lays him wide open to the fact that the residue will not furnish the income his family will need. The prospect is then ready to listen to a more substantial program.

Officers and directors of the 16 local associations in the state met the evening before the congress. Mr. Rogers presided and guests included Governor-elect H. L. Schricker, J. D. Cramer, chief deputy insurance commissioner; J. G. Wood, executive secretary Insurance Federation of Indiana; F. H. Sterling, Jr., secretary Association of Indiana Legal Reserve Life Companies, and E. A. Krueger, national treasurer American Society of Chartered Life Underwriters.

## Important Role of Salesman Stressed

The important role of the salesman was stressed by H. J. Cummings, vice-president and superintendent of agencies Minnesota Mutual Life, before the annual meeting of the Life Presidents Association in New York.

New paid business for 1939 is estimated at \$11,250,000,000, not including revivals, increases and dividend addition, thus bettering by 1 percent the 1939 record of \$11,124,000,000, Mr. Cummings announced. During the first half of 1940 the lapse ratio and the volume of terminations were the lowest since the Sales Research Bureau started making these surveys in 1933.

The United States outstanding life insurance record was attributed by Mr. Cummings to the agency system. Mass production becomes a liability without mass distribution. "That always calls for the salesman. Because of him and his work, we all get a better product for less money—with a margin left over to save or to spend. Business can do nothing more vital than make it forever clear that the salesman brought the American standard of living to its present high level and that he must be kept at that mission if that level is to be maintained or increased."

### Much Progress Made

Much progress is being made by life insurance in selecting, training, supervision, motivation and compensation which Mr. Cummings termed the five fronts on which preparedness is needed. Commenting on the report of the compensation committee of the Agency Officers-Research Bureau, Mr. Cummings said that the committee is prepared to dig deeper as a perfect solution to the problem can not be found easily. The life agent is an individualist and a free lance

worker both as to time and manner of working and to his moods in which he tackles his task. Basically there is little wrong with his job. Refinements in the method by which he is paid may prove to be helpful. But after preaching thrift and personal security through personal sacrifice for nearly a century, Mr. Cummings said that he doubts that the good life insurance agent would fall now for the easy philosophy of "something for nothing." In all fields there are folks who are often unable, sometimes unwilling, to improve their technique for whom compensation may be always a problem. "I have suspected that if the companies would 'go to town' on selection, supervision and motivation, and those are horse-killing jobs, we would hear less about compensation. But in the interest of total agency preparedness, compensation is under the microscope."

### Fear Is Paramount Problem

Mr. Cummings gave the results of a survey on agents' problems conducted in cooperation with the University of Minnesota among agents of the Minnesota Mutual Life, all licensed agents in Minnesota, and members of the Chicago and New York life underwriters associations.

Fear was rated as a major problem by a wide margin, followed by training, motivation, compensation, selection and supervision. The fear question was stated as follows:

"I need help in forcing myself to see regularly a satisfactory number of new, strange, but worthwhile prospects. I know how to get prospects. I know effective sales presentations. I know how to close when once I get before a good prospect. But being human, I have also a very real difficulty in driving myself out consistently to see a sufficiently large number of new prospects — strangers; and in pressing through to a conclusion when once I do see them. I can't just put my finger on my big trouble, but it has something to do with an aversion to facing strangers, and a hesitancy about meeting the negative attitudes that I run into when I do see them. If I could just get around that successfully, I'd go to town."

### Fear Leads in All Classes

In dividing replies from agents of the Minnesota Mutual and agents of other companies, it was found that fear was well in front in both groups. The Minnesota Mutual agents rated the other five problems in this order: motivation, compensation, training, supervision and selection, while for agents of other companies the order was training, selection, motivation, compensation and supervision. The replies were also classified by age, locality, production and experience, but in whatever group fear always came first or tied for first place. The five other problems showed sharp variations.

In any public relations program for the institution of life insurance the pivotal point must needs be the agent, Mr. Cummings said. There are 150,000 agents

coming into contact with the public from 500,000 to 1,000,000 times a day. As a consequence, the companies must consider all institutional problems in the light of their effect on the agent.

## Highlights of Life Presidents Convention

(CONTINUED FROM PAGE 9)

Another feature to which Chairman Lincoln called attention was the fact that during the last 25 years and perhaps longer there have just been three Connecticut commissioners. When Mr. Lincoln became acquainted with the business in 1913, Bertrand Mansfield was Connecticut commissioner. He was a Democrat appointed by a Democratic governor and was later reappointed by a Republican governor. Col. Dunham was a Republican appointed by a Republican governor and reappointed by a Democratic governor. Commissioner Blackall is a Democrat, appointed by a Democratic governor and reappointed by a Republican governor. It goes to show that Connecticut appreciates high grade commissioners regardless of their political affiliations. In referring to Col. Dunham, Mr. Lincoln momentarily classified him as a Democrat but corrected it. Commissioner Blackall said: "Mr. Lincoln, you almost called Howard Dunham a Democrat. If I called him such, he would never speak to me again."

Mr. Blackall's address was received with real friendliness. Chairman Lincoln said that he breathes the spirit of cooperation and consultation, in an attempt to derive as between the departments, the legislature and company viewpoint something of use to the policyholders.

The president of the National Association of Manufacturers, who is head of the Armstrong Cork Company of Lancaster, Pa., H. W. Prentis, Jr., turned out to be one of the outstanding speakers of the convention. Chairman Lincoln said that this speaker had devoted his time for months in going about the country preaching the gospel of industry and the contribution which it may make to the solution of the country's problems. His company has 17 different plants in different parts of the country and, therefore, Mr. Lincoln wondered how Mr. Prentis got time to do this public work. He was introduced as a believer in the business men as an agent of human liberty. He believes in the right of industry to make progress and to make its contribution as industry to the social development of mankind.

### Summarizes the Contributions

Mr. Prentis summarized the contributions that industry is trying to make and then elaborated on each point. It was a masterful presentation. His text showed that he was an omnivorous reader of literature of various classes and ages and that he is a most observant traveler. He was most forceful and impressive in his address. He has a very fine stage presence in his rapid firing, one sentence closely following another.

## DR. S. M. STEVENS

The Presidents Association has another tradition. It usually has a prominent educator. This year it invited Dr. S. N. Stevens, the new president of Grinnell College, Grinnell, Ia. He was introduced as an eminent educator, a student of psychology and the author of important contributions to scientific journals. It is interesting to know that he succeeded as president a few months ago Dr. John H. Nollen, also a distinguished educator who is the brother of

## FACT FILE INFORMATION

### Number and Average Size of Policies in Force

Class of Insurance.	No. of Policies		Average Size
	In Force		
Industrial	86,000,000		\$ 246
Group	10,000,000		1,530
Ordinary	38,500,000		2,104
All Classes	135,000,000		872

The average life insurance in force per capita in U. S. is under \$900. The average per policy owner is about \$1,800. The average per family is less than \$4,000.

Source: Life Presidents Association, Dec., 1940.

Henry S. Nollen, chairman Equitable of Iowa, and G. S. Nollen, president Bankers Life of Iowa. Brother Gerard is a trustee of Grinnell. Owing to Dr. Stevens' presence in New York, the alumni of that vicinity had a banquet. Brother Henry acted as his bodyguard at the meeting. Dr. Stevens was accompanied by John Clark Fetzter, assistant to the president. John Clark has spent his business life up to date in an insurance agency. He was secretary of W. A. Alexander & Company of Chicago, his father Wade Fetzter, Sr., being president and also a trustee of Northwestern University and Beloit College, Beloit, Wis. Dr. Stevens was a member of Northwestern's faculty before taking his present position. Another man who sat on the front row while Dr. Stevens was speaking was J. A. O. Preus, vice-president W. A. Alexander & Co. of Chicago, former state auditor, insurance commissioner and governor of Minnesota. He was present largely in tribute to his young friend, John Fetzter.

#### Dr. Stevens' Criticism

Dr. Stevens was somewhat critical in his address, saying that undoubtedly business men realize that education for all people is the greatest safeguard for the democratic way of life and yet he wondered if the colleges were doing their work as they should. He said in his last sentence: "I am old fashioned, but I believe that if you and thousands of people like you insist on it, we can again believe that character in the American sense will be the fundamental objective of education, rather than its by-product and when that comes to pass, knowledge will combine with love to give us not merely a new patriotism, but a new society."

Chairman Lincoln said that many in the audience belonged to that old fashioned fraternity of which Dr. Stevens spoke. He said: "I am sure I was one who went through in the early days the routine of the Lord's Prayer and a chapter of the Bible. I at least am one who believes that this pendulum is about to swing the other way."

#### W. L. TALBOT

The first speaker Friday morning was President Walter Le Mar Talbot of Fidelity Mutual Life, who presented another of the papers that have crystallized into custom, he being assigned the one relating to investments which is always highly important from the insurance standpoint. This paper is studied more carefully than any other by officials who have to do with this particular department of their companies. It contains many figures, a vast amount of statistics, ratios, analyses, comparisons. If one might be permitted a criticism, it would be that a considerable amount of time could be saved and the audience would have a far clearer insight into the subject if there were a condensation of the highlights on a card, which would relieve the speaker of reading sentences that could not be retained by hearing, but which have to be studied to be practical.

In introducing Mr. Talbot, Chairman Lincoln said that he believed he had exceeded in term of service all officials except Chairman T. A. Buckner of New York Life. These men have continuously been with the same company. Chairman F. H. Ecker of Metropolitan began his long service a year after Mr. Talbot started.

When Mr. Talbot began with Fidelity Mutual, there were three clerks. He advanced through stages of experience and understanding with his company until 26 years ago he became president. He is familiar with all sides of the great business of life insurance.

Mr. Talbot stated that he did not wish to have it understood that he was quite ready for old age benefits. Chairman Lincoln said, following Mr. Talbot's paper, that he should like to see a considerable distribution of that portion of the paper which discusses the effect of

lowered interest rates on dividends, and he further said, "If I may have your permission, I should like to send one copy to the Secretary of Commerce."

#### CLARIS ADAMS

The life insurance business has in its ranks of the younger officials an outstanding orator, who never fails to make good when he is on the program, he being President Claris Adams of the Ohio State Life. As Mr. Lincoln started his career as a member of the bar and later became a company president, he called attention to the fact that Mr. Adams was formerly a member of the Indianapolis bar and is now a president. Chairman Lincoln said when he first knew Mr. Adams he had been elected secretary of the American Life Convention. He succeeded the late T. W. Blackburn. Chairman Lincoln said that Mr. Adams had found time in his regular work occasionally to make a political speech and he added, "He talks the same language as I do." At the close of Mr. Adams' eloquent address Mr. Lincoln said: "I should like to say that if I did obtain your authority to send a copy of Mr. Talbot's address to the Secretary of Commerce, I should also like your authority to send a copy of Mr. Adams' address to each member of the TNEC." And to this Mr. Buckner, who sat near the front, added, "and to each member of the Senate and the House of Representatives."

John M. Laird, vice-president Connecticut General Life, also a former president of the American Life Convention, accompanied Mr. Adams to the front row. Senator Brooks of Illinois followed Mr. Adams.

#### REV. DR. F. S. FLEMING

At the last session the first speaker was Rev. Dr. F. S. Fleming, rector, Trinity Parish, New York City. In introducing him, Chairman Lincoln said that he was not only a clergyman but a business man. His clerical career was preceded by a business career of considerable importance. Trinity Parish is one of the oldest and perhaps the most famous of its kind in the country. It dates back to the early history of Manhattan Island. Dr. Fleming has held his office since 1932 and as Mr. Lincoln put it, "It is one of tremendous importance, not only because of its religious aspects, but because of the important financial interests of the parish and community." Indeed, as Mr. Lincoln put it Dr. Fleming told him that he is on a number of "what you and I would call interlocking boards." Mr. Lincoln added: "It may be that our friends in Washington are interested in interlocking boards in the religious side of the world's activities."

He called attention to the fact that Dr. Fleming holds the degree of doctor of divinity and doctor of sacred theology, and turning to Claris Adams, he said: "Dr. Fleming holds two law degrees."

Dr. Fleming's address had very much to do with the ecclesiastical side of his profession. At some times it was rather difficult to discern just what he had in mind. He was accompanied to the meeting by President Parkinson of Equitable Society. However, in evaluating Dr. Fleming's address, it seemed to be that throughout the program there was a very deep seated sentiment expressed that the country has lost much in departing from the ways of faith of the past and the old fashioned religion. It came out in Senator Brooks' address, in Chairman

Lincoln's comments from time to time, in Dr. Stevens' paper and, of course, in Dr. Fleming's treatise.

#### H. J. CUMMINGS

H. J. Cummings of St. Paul, vice-president and superintendent of agents of Minnesota Mutual, filled another traditional niche in the presidential program in that he represented the agency end of the business. He was accompanied to the front by President T. A. Phillips of his company.

Mr. Cummings may have surprised a great number of people who were not acquainted with him and who had not heard him. He did not indulge in vivid, fantastic and grandiloquent phrases. His sentences, it seemed, came rather from the grass roots. He revealed the soil of the great central west from which he sprung and where he has worked. He presented a very convincing, logical document which certainly held the attention of the audience. He had had a survey made by the University of Minnesota in the endeavor to ascertain what the agents themselves felt were the main problems confronting them. He had them lined up in a series. Mr. Cummings had been a successful personal producer, and has been a teacher. He has been connected with the field management for the last 20 years. He was referred to as a speaker of note and he came to the organization, as Chairman Lincoln put it, as a "champion of the American agency system."

#### DR. D. B. CRAGIN

Another tradition of the Life Presidents Association is to have an eminent medical man connected with the life business speak. Dr. D. B. Cragin, medical director Aetna Life and president Association of Life Insurance Medical Directors, gave a paper. His document was very illuminating and presented the trends along mortality lines. Dr. Cragin in his own company and in others is regarded as an authority on the subject.

L. W. Brockington, the Canadian, who gave such an impressive address, preceded Dr. Cragin. He was accompanied to the ballroom by R. Leighton Foster, general counsel Canadian Life Insurance Officers Association.

#### CONVENTION NOTES

Attendance at the Life Presidents Association meeting far exceeded the previous high mark. More than 600 were on hand for one or more of the sessions.

At the executive committee session V. P. Whittitt, manager of the association, was elected chairman, all the others being elected as follows: Aiken, New York Life; Brigham, National Life of Vermont; Cox, Union Central Life; D'Olier, Prudential; Douglas, Mutual Life; Hardin, Mutual Benefit; Hubbell,

Equitable of Iowa; Lincoln, Metropolitan; Parkinson, Equitable Society; Smith, New England Mutual; Zacher, Travelers.

Mott A. Brooks, former assistant secretary, greatly beloved by all who come in contact with him, is now retired and lives at Mansfield, Pa. Mr. Brooks is a member of the house of burgesses of his town and by virtue of his position is chief of police. In order to get to New York City, he was compelled to take a bus that arrived there at 2 a. m. He assisted very much at the meeting.

George T. Wight, long the manager of the Life Presidents Association, who had the respect of all the members and who made a most acceptable official, was retired some years ago and now lives at Upper Montclair, N. J. As the old timers gather at these annual reunions, they always recall him with renewed interest.

The committee on resolutions consisted of B. K. Elliott, John Hancock Mutual, chairman; C. S. V. Branch, Sun Life of Canada; L. W. Dawson, Mutual Life; J. M. Laird, Connecticut General; C. P. Peterson, Bankers of Nebraska; E. E. Rhodes, Mutual Benefit; W. C. Safford, Western & Southern Life; G. M. Selsor, U. S. Life; A. E. Tuck, Equitable Society.

The nominating committee consisted of F. D. Russell, Security Mutual Life of Binghamton; A. A. Rydgren, Continental American; B. H. Walker, Life of Virginia.

One of the most enjoyable features of insurance week in New York is the Thursday night dinner at Sardi's followed by a theater party. This custom started some years ago when a few officials on this side felt it would be appropriate to entertain the Canadian company men who had been most hospitable to the Americans. The group has grown now until it has become somewhat unwieldy, but that does not lessen the pleasure. This year the hosts were Clarence Axman, "Eastern Underwriter"; C. G. Taylor, Jr., vice-president Metropolitan Life; Judge Byron K. Elliott, vice-president and general counsel John Hancock Mutual Life, and President J. A. McLain, Guardian Life. The entire party was taken to see Ed Wynn's play, "Boys and Girls Together."

#### Separate San Antonio Offices

The Hooper-Holmes Bureau and American Service Bureau, which have been operating in San Antonio, Tex., through a common office, are now maintaining separate offices. Victor M. Curtis, who has been in Dallas, will be in charge of the American Service Bureau office. Claude Phillips, who goes from Indiana, is in charge of the Hooper-Holmes office.

#### Tax Experts Speak

PITTSBURGH—J. B. Lowe and J. D. Wright, Baltimore tax experts, spoke to the Insurance Trust Council meeting here.

There's More  
to  
Insurance  
Than a  
Policy



The highest form of insurance is the company that issues it . . . what's behind the policy determines what's ahead for the policy holder; it may be a small policy or a big one, but the record of the company is the true measure of its safety. At the Waldorf, for example, no matter which of the seven restaurants you select, to fit your pocket, one thing does not change . . . the comfort, service, and all-round satisfaction of staying at the Waldorf is still the same no matter how little you spend.

THE  
**WALDORF-ASTORIA**

Park Avenue • 49th to 50th • N. Y.







## For Distinguished Service

**THE BADGE YOU SEE HERE** is a coveted emblem ... a symbol of 20 years of loyal and efficient service to Metropolitan's policyholders, and to the communities in which they live.

Today, more than 1,500 active Metropolitan Life Insurance Company field-men are proud possessors of this badge.

Over 7,000 members of the field organization have been in the business from 5 to 10 years; more than 3,800 enjoy 10 to 15 years of experience; and over 1,800 from 15 to 20 years. Fewer than one out of every eight field-men have served Metropolitan policyholders less than two years.

These years of continued service have an important bearing on the quality of advice and help which policyholders receive from Metropolitan representatives in the United States and Canada.

All field-men receive preliminary life insurance instruction before they begin their work of serving policyholders. Thousands of field-men regularly receive further instruction in the many courses conducted by the Company throughout the country.

During 1939, some 567 managers and assistant managers attended special courses; another 1,198 assistant managers received training in the field from the Company's full-time staff of 94 field training instructors. Also, 739 agents, assistant managers, and managers were studying for their "Chartered Life Underwriter" degree. This is awarded only to those who complete specified studies in the application of

life insurance to individual needs and in such technical phases of life insurance as its relationship to problems of taxation and inheritance. Additional thousands of field-men received instruction in other educational projects maintained by the Company—all with a view to assuring policyholders the utmost benefit from their life insurance.

Thus does the Metropolitan agent, with the cooperation of the Company, strive constantly to increase his knowledge and to keep abreast of the times.

The services the agent renders are many and varied. Helping the policyholder select the kind of insurance best suited to his needs and delivering the policy are only the beginning of a long series of services.

Many policyholders pay their premiums weekly, or monthly, and the field-man collects them.

When necessary, agents adjust insurance plans to new personal or family situations. Policies are checked to make sure that desired beneficiaries or contingent beneficiaries are properly named. Dividends are paid or credited.

When the death of a policyholder occurs, the agent often helps to prepare the claim papers and to get the check promptly to the beneficiary. Death claims were paid on an average of over 7,000 policies per week in 1939.

In addition, every week in 1939, more than 75,000

so-called transfers took place—occasioned by change of address or similar causes. In nearly every case some agent served the policyholder. In almost 7,600 communities where Metropolitan nursing service is available to Industrial policyholders, it is usually the agent who brings word of the policyholder's need for it.

If you need assistance with any problems connected with your life insurance, call in your Metropolitan agent. He will gladly consult with you, and help prepare and file necessary papers. There is no reason for paying anyone to perform these, or similar, services. As a Metropolitan policyholder, you are entitled to the free advice of your agent.

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*This is Number 32 in a series of advertisements designed to give the public a clearer understanding of how a life insurance company operates. Copies of preceding advertisements in this series will be mailed upon request.*

### Metropolitan Life Insurance Company (A MUTUAL COMPANY)

*Frederick H. Ecker, CHAIRMAN OF THE BOARD*

*Leroy A. Lincoln, PRESIDENT*

*1 MADISON AVENUE, NEW YORK, N. Y.*



**THIS IS THE THIRTY-SECOND** in Metropolitan's series of advertisements designed to give the public a clearer understanding of how a life insurance company operates. It appears in: Collier's, Dec. 7; Saturday Evening Post, Dec. 7;

Business Week, Dec. 7; Time, Dec. 2; American Weekly, Dec. 1; This Week, Dec. 8; Forbes, Dec. 1; United States News, Dec. 6; Cosmopolitan, Jan.; Nation's Business, Dec.; Fortune, Dec.; Newsweek, Dec. 2; American Mercury, Dec.



Top producers gathered in New York for the Mutual Benefit's National Associates conference. Left to right are: A. R. Groenke, Cincinnati, Associates vice-president; J. D. Hibbard, Grand Rapids; E. E. Rhodes, vice-president Mutual Benefit; H. G. Kenagy, superintendent of agencies; Edward J. Dore, Detroit, Associates president; W. E. Wright, Toledo.



James A. Farley, former Postmaster General, before the "mike" at the National Association of Insurance Commissioners mid-year meeting in New York.



This is an architect's drawing of the new home office building of Durham Life in Raleigh, N. C. It is to be 15 stories, constructed of limestone and will be a modern setback design fully air-conditioned. It will be located on the same site as the old building which is next to the Wake county court house. In addition to the home office, the studio of Durham Life's radio station, WPTF (We Protect the Family) will be located in the building. On Jan. 1, WPTF will increase its power to 50,000 watts.



At the annual meeting of directors of Institute of Life Insurance: M. A. Linton, president Provident Mutual Life, Holgar J. Johnson, president Institute of Life Insurance, and T. A. Phillips, president Minnesota Mutual Life, talk things over. Mr. Phillips has been elected an Institute director.



Superintendent Pink of New York and Mayor La Guardia of New York City at the luncheon of the National Association of Insurance Commissioners before which the mayor spoke.



Superintendent Lloyd and Walter A. Robinson, actuary of the Ohio insurance department at a session of the National Association of Insurance Commissioners in New York.